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**ADIRONDACK POWER AND LIGHT  
CORPORATION**

**Mortgage**

TO

**GUARANTY TRUST COMPANY  
OF NEW YORK**

TRUSTEE

DATED MARCH 1, 1920.

**Securing First and Refunding Mortgage Gold Bonds**

**First Supplemental Indenture dated July 23, 1920**



ADIRONDACK POWER AND LIGHT  
CORPORATION

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First Supplemental Indenture dated July 23, 1920



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THIS INDENTURE dated the first day of March, 1920, by and between ADIRONDACK POWER AND LIGHT CORPORATION, a corporation duly organized and existing under the laws of the State of New York, party of the first part (hereinafter called the "Company"), and GUARANTY TRUST COMPANY OF NEW YORK, a corporation organized and existing under the laws of the State of New York and having its principal place of business in the Borough of Manhattan, City of New York, party of the second part (hereinafter called the "Trustee"),

\*Date and parties.

WITNESSETH THAT:

WHEREAS the Company is authorized by law to borrow Recitals. money and contract debts when necessary for the transaction of its business, or for the exercise of its corporate rights, privileges or franchises or for any other lawful purpose of its incorporation and to issue and dispose of its obligations for any amount so borrowed, and to mortgage its property and franchises to secure the payment of such obligations, or of any debt contracted for said purposes; and

WHEREAS the Company by due action of its Board of Directors has duly resolved to make a mortgage or deed of trust of its property and issue bonds thereunder and the consent in writing of stockholders owning at least two-thirds ( $\frac{2}{3}$ ) of the capital stock of the Company has been duly given to such mortgage or deed of trust in the form of this indenture and to the execution, issue and delivery of bonds thereunder, and a certificate under the seal of the ADIRONDACK POWER AND LIGHT CORPORATION

\* The marginal notes, table of contents, index, title page and cover are not in the indenture or supplemental indenture as executed and recorded.

that such consent was so given, subscribed and acknowledged by the Vice-President and Secretary of the Company, a duplicate original of which certificate is hereto annexed, will be simultaneously with the recording of this indenture filed and recorded in the office of the County Clerk of the County of Schenectady, New York, that being the county in which the Company has its principal place of business; and

WHEREAS the Public Service Commission in the Second District of the State of New York has duly authorized the execution of this mortgage or deed of trust and has approved the form hereof, and has authorized an initial issue of bonds hereunder to the aggregate principal amount of five million six hundred seventy-one thousand dollars (\$5,671,000); and

WHEREAS the bonds to be issued hereunder are to be coupon bonds or registered bonds without coupons issuable as hereinafter provided in lieu of or exchange for such coupon bonds, or in part such coupon bonds and in part such registered bonds without coupons, all such bonds, both coupon and registered without coupons, to be designated (except as herein otherwise provided) as the "First and Refunding Mortgage Gold Bonds" of the Company; and

WHEREAS the bonds to be issued hereunder are to be issued in one or more series, those of each particular series to be identical, as far as may be, with one another in tenor, and are to bear such date, bear interest at such rate or rates, have such maturity or maturities, and be otherwise in such form and of such tenor, subject to the provisions hereof, as shall be determined from time to time by the Board of Directors of the Company; and

WHEREAS the bonds of Series of 6s due 1950 (except as herein otherwise provided) are to be in substantially the following forms:

## (FORM OF COUPON BOND)

UNITED STATES OF AMERICA

STATE OF NEW YORK

Form of  
coupon bond,  
Series of 6s  
due 1950.

ADIRONDACK POWER AND LIGHT CORPORATION

First and Refunding Mortgage Gold Bond

No. .... Series of 6s due 1950. \$.....

ADIRONDACK POWER AND LIGHT CORPORATION, a corporation organized and existing under the laws of the State of New York (herein called the Company, which term shall include any successor corporation as defined in the mortgage or deed of trust hereinafter referred to), for value received promises to pay to the bearer, or, if this bond be registered, to the registered holder hereof, the sum of                    dollars (\$      ) on March 1, 1950, or earlier as herein-after provided, with interest thereon from the date hereof at the rate of six per centum (6%) per annum, payable semi-annually on the first days of March and September in each year, in accordance with and upon presentation and surrender of the respective coupons attached hereto as they severally become due. Both principal and interest of this bond are to be paid in gold coin of the United States of America of or equivalent to the standard of weight and fineness existing March 1, 1920, at the office or agency of the Company in the Borough of Manhattan, City of New York, and, to the full extent permitted by law, without deduction for any tax, assessment or other governmental charge (other than inheritance and succession taxes) which the Company or the Trustee may be required or permitted to pay thereon or retain

therefrom under any present or future law of the United States of America, or of any State, county, municipality or other taxing authority therein, except any excess of any Federal income tax which the Company or the Trustee may be required to retain therefrom over an aggregate in any one year of two per centum (2%) of the yearly interest hereon, the Company hereby covenanting to pay all such taxes, assessments and charges except as aforesaid.

This bond is one of an issue of unlimited authorized amount, of coupon bonds or registered bonds without coupons or both, all issued or to be issued in one or more series under and equally secured by a mortgage or deed of trust dated March 1, 1920, executed and delivered by ADIRONDACK POWER AND LIGHT CORPORATION to Guaranty Trust Company of New York, as Trustee, to which mortgage or deed of trust, and all instruments supplemental thereto, reference is hereby made for a description of the property mortgaged as security for said bonds, the rights and remedies of the holder of this bond in regard thereto, and the terms and conditions upon which this bond is issued, secured, and held. This bond is to be treated as negotiable subject to the provisions for registration as to principal hereinbelow provided and all persons are invited by the Company and the owner for the time being hereof to act accordingly. The principal and interest hereby secured will be paid without regard to any equities between the Company and the original or any intermediate holder hereof.

This bond may be called at the option of the Company for payment on any semi-annual interest date up to and including March 1, 1925, at par and seven and one-half per centum (7½%) premium, thereafter up to and including March 1, 1930, at par and six and

one-half per centum (6½%) premium, thereafter up to and including March 1, 1935, at par and five and one-half per centum (5½%) premium, thereafter up to and including March 1, 1940, at par and four and one-half per centum (4½%) premium, thereafter up to and including March 1, 1945, at par and three and one-half per centum (3½%) premium, thereafter up to and including March 1, 1949, at par and two and one-half per centum (2½%) premium, and thereafter at par and one and one-half per centum (1½%) premium, together in each case with interest accrued to the call day, upon sixty days' published notice, on the conditions and in the manner provided in said mortgage or deed of trust. Interest shall cease to accrue on this bond, if it is so called and payment is duly provided, as specified in said mortgage or deed of trust, from and after the date fixed in the call for such payment.

In certain events of default, the principal of this bond may become or be declared due and payable before maturity, as provided in said mortgage or deed of trust.

This bond with all coupons for future interest hereon is either singly or together with other coupon bonds of the same series as this bond exchangeable at the option of the holder upon payment of a reasonable charge, but subject to the terms, conditions and limitations expressed in said mortgage or deed of trust, for a registered bond or bonds without coupons of the same series as this bond of a principal amount equal to the aggregate principal amounts of the bond or bonds so surrendered for exchange, reference being hereby made to said mortgage or deed of trust for a statement of the said terms, conditions and limitations.

This bond shall pass by delivery except while regis-

tered as to principal. This bond, but not its coupons, may from time to time be registered as to principal at the option of the holder on the books of the Company at its office or agency in the Borough of Manhattan, City of New York, and if so registered shall pass only by transfer on such books, unless such transfer shall have been made and registered to bearer, in which case it shall again pass by delivery until again registered. Registration shall not affect the negotiability of the coupons, which shall continue to be transferable by delivery, and the payment of any coupon to the bearer thereof shall be a discharge of the Company in respect of the interest therein mentioned.

It is a part of the contract herein contained that each holder hereof waives all right of recourse to any personal, statutory, or other liability of any promoter, stockholder, officer, or director, past, present or future, of ADIRONDACK POWER AND LIGHT CORPORATION, or of any constituent or predecessor corporation, or of any corporation with which the Company may be consolidated or into which it may be merged, or of any other successor corporation (as defined in said mortgage or deed of trust) for the collection of any indebtedness hereunder, as more fully provided in said mortgage or deed of trust.

This bond shall not become obligatory for any purpose or be entitled to any security or benefit under said mortgage or deed of trust until the certificate hereon shall have been signed by the Trustee.

IN WITNESS WHEREOF, ADIRONDACK POWER AND LIGHT CORPORATION has caused these presents to be signed in its name and behalf by its president or a vice-president, and by its secretary or an assistant secretary, thereunto duly authorized, and its corporate seal

to be hereto affixed, and has likewise caused the annexed coupons to be authenticated by a fac-simile of the signature of its treasurer, as of this first day of March, A.D. 1920.

ADIRONDACK POWER AND LIGHT  
CORPORATION,

By

*President.*

And by

*Secretary.*

(FORM OF INTEREST COUPON)

Form of  
coupon.

\$.....

No.....

On the first day of , 19 , ADIRONDACK POWER AND LIGHT CORPORATION will pay to the bearer, at the office or agency of the Company in the Borough of Manhattan, City of New York, (provided the bond mentioned below shall not have been called for previous redemption and payment duly provided therefor),  
dollars (\$ ) in gold coin of the United States of America of the March 1, 1920, standard of weight and fineness, being six months' interest then due on its First and Refunding Mortgage Gold Bond Series of 6s due 1950, No.

*Treasurer.*

## (FORM OF TRUSTEE'S CERTIFICATE)

Form of  
Trustee's  
certificate.

This bond is one of the coupon bonds referred to in  
the within-mentioned mortgage or deed of trust.

GUARANTY TRUST COMPANY  
OF NEW YORK, TRUSTEE,

By

*Vice-President.*

## (FORM FOR REGISTRATION)

Form for  
registration.

*Notice:* No writing hereon except by an officer  
of the Company or the Trustee.

---

DATE OF REGISTRY	IN WHOSE NAME REGISTERED	OFFICER OR AGENT FOR REGISTRATION
------------------	-----------------------------	--------------------------------------

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## (ENDORSEMENTS)

(For forms of certain endorsements see article I below.)

## (FORM OF REGISTERED BOND WITHOUT COUPONS)

UNITED STATES OF AMERICA.

STATE OF NEW YORK

ADIRONDACK POWER AND LIGHT CORPORA-  
TIONForm of  
registered  
bond without  
coupons,  
Series of 6s  
due 1950.

## First and Refunding Mortgage Gold Bond

No..... Series of 6s due 1950. \$.....

ADIRONDACK POWER AND LIGHT CORPORATION, a corporation organized and existing under the laws of the State of New York (herein called the Company, which term shall include any successor corporation as defined in the mortgage or deed of trust hereinafter referred to), for value received, promises to pay to

or registered assigns the sum of  
dollars (\$ )

on March 1, 1950, or earlier as hereinafter provided, with interest thereon from the first day of March or the first day of September, as the case may be, next preceding the date of certification hereof, or from the date of such certification if it be a first day of March or a first day of September, at the rate of six per centum (6%) per annum, payable semi-annually on the first days of March and September in each year. Both principal and interest of this bond are to be paid in gold coin of the United States of America of or equivalent to the standard of weight and fineness existing March 1, 1920, at the office or agency of the Company in the Borough of Manhattan, City of New York, and, to the full extent permit-

ted by law, without deduction for any tax, assessment or other governmental charge (other than inheritance and succession taxes) which the Company or the Trustee may be required or permitted to pay thereon or retain therefrom under any present or future law of the United States of America, or of any State, county, municipality or other taxing authority therein, except any excess of any federal income tax which the Company or the Trustee may be required to retain therefrom over an aggregate in any one year of two per centum (2%) of the yearly interest hereon, the Company hereby covenanting to pay all such taxes, assessments and charges except as aforesaid.

This bond is one of an issue of unlimited authorized amount, of coupon bonds or registered bonds without coupons or both, known as First and Refunding Mortgage Gold Bonds, all issued or to be issued in one or more series under and equally secured by a mortgage or deed of trust dated March 1, 1920, executed and delivered by ADIRONDACK POWER AND LIGHT CORPORATION to Guaranty Trust Company of New York as Trustee, to which mortgage or deed of trust, and all instruments supplemental thereto, reference is hereby made for a description of the property mortgaged as security for said bonds, the rights and remedies of the holder of this bond in regard thereto, and the terms and conditions upon which this bond is issued, secured and held. This bond is to be treated as negotiable subject to the requirements for registration hereinbelow provided and all persons are invited by the Company and the owner for the time being hereof to act accordingly. The principal and interest hereby secured will be paid without regard to any equities between the Company and the original or any intermediate holder hereof.

This bond may be called at the option of the Company for payment on any semi-annual interest date up to and including March 1, 1925, at par and seven and one-half per centum (7½%) premium, thereafter up to and including March 1, 1930, at par and six and one-half per centum (6½%) premium, thereafter up to and including March 1, 1935, at par and five and one-half per centum (5½%) premium, thereafter up to and including March 1, 1940, at par and four and one-half per centum (4½%) premium, thereafter up to and including March 1, 1945, at par and three and one-half per centum (3½%) premium, thereafter up to and including March 1, 1949, at par and two and one-half per centum (2½%) premium, and thereafter at par and one and one-half per centum (1½%) premium, together in each case with interest accrued to the call day, upon sixty days' published notice, on the conditions and in the manner provided in said mortgage or deed of trust. Interest shall cease to accrue on this bond, if it is so called and payment is duly provided, as specified in said mortgage or deed of trust, from and after the date fixed in the call for such payment.

In certain events of default, the principal of this bond may become or be declared due and payable before maturity, as provided in said mortgage or deed of trust.

This bond is transferable by the registered holder hereof in person or by attorney duly authorized on the books of the Company at its office or agency in the Borough of Manhattan, City of New York, upon surrender and cancellation of this bond, and thereupon a new registered bond or bonds without coupons of the same series as this bond, for an equivalent principal amount, having endorsed thereon the same issue number or numbers of coupon

bonds as are endorsed hereon, will be issued to the transferee or transferees in exchange herefor, as provided in said mortgage or deed of trust; or at the option of the registered holder hereof this bond is either singly or together with other registered bonds without coupons of the same series as this bond exchangeable upon payment of a reasonable charge, but subject to the terms, conditions and limitations expressed in said mortgage or deed of trust, for a coupon bond or bonds of the same series of a principal amount equal to the aggregate principal amounts of the bond or bonds so surrendered for exchange, and having attached thereto coupons for all future interest, reference being hereby made to said mortgage or deed of trust for a statement of said terms, conditions and limitations.

Payment of interest by the Company to the registered holder of this bond shall be a discharge of the Company in respect of such interest.

It is a part of the contract herein contained that each holder hereof waives all right of recourse to any personal, statutory, or other liability of any promoter, stockholder, officer, or director, past, present or future, of ADIRONDACK POWER AND LIGHT CORPORATION, or of any constituent or predecessor corporation, or of any corporation with which the Company may be consolidated or into which it may be merged, or of any other successor corporation (as defined in said mortgage or deed of trust) for the collection of any indebtedness hereunder, as more fully provided in said mortgage or deed of trust.

This bond shall not become obligatory for any purpose, or be entitled to any security or benefit under said mortgage or deed of trust, until the certificate hereon shall have been signed by the Trustee.

IN WITNESS WHEREOF, ADIRONDACK POWER AND LIGHT CORPORATION has caused these presents to be signed in its name and behalf by its president or a vice-president, and by its secretary or an assistant secretary, thereunto duly authorized, and its corporate seal to be hereto affixed, as of this first day of March, 1920.

ADIRONDACK POWER AND LIGHT  
CORPORATION,

By

*President.*

And by

*Secretary.*

(FORM OF TRUSTEE'S CERTIFICATE)

This bond is one of the registered bonds without coupons referred to in the within-mentioned mortgage or deed of trust. Form of  
Trustee's  
certificate.

New York,

GUARANTY TRUST COMPANY  
OF NEW YORK, TRUSTEE,

By

*Vice-President.*

(ENDORSEMENTS)

(For forms of certain endorsements see article I  
below.)

## ( FORM FOR TRANSFER )

Form for  
transfer.

FOR VALUE RECEIVED hereby assign and transfer unto the principal of the within bond together with accrued interest thereon, hereby irrevocably constituting and appointing attorney to transfer the said bond on the books of the within-mentioned Company with full power of substitution in the premises.

Dated 19 .

In the presence of

and

Authorization  
and validity  
of bonds and  
mortgage.

WHEREAS all acts, proceedings and things necessary and required by law and the by-laws of the Company to make all the bonds which from time to time may be certified by the Trustee to be bonds referred to in this mortgage or deed of trust, the valid, binding and legal obligations of the Company and to constitute these presents a valid and effective indenture of mortgage to secure the payment of said bonds, have been done and performed and the creation, issue and delivery from time to time of said bonds and the execution and delivery of this indenture have been in all respects duly authorized;

Granting  
clause.

Now, THEREFORE, THIS INDENTURE WITNESSETH:

That in order to secure equally and ratably the payment of the principal and interest of the bonds issued here-

under at any time outstanding, and the performance of all the covenants and conditions herein and in said bonds contained, and in consideration of the premises and of the purchase and acceptance of said bonds by the holders thereof, and for other valuable consideration, the Company has granted, bargained, sold, conveyed, transferred, assigned, remised, released, mortgaged, set over and confirmed, and by these presents does grant, bargain, sell, convey, transfer, assign, remise, release, mortgage, set over and confirm unto the Trustee, its successors and assigns, all the real and personal property, franchises and privileges now owned or hereafter acquired by the Company (excepting, however, any and all shares of stock and other certificates or evidences of interest, and bonds, notes and other evidences of indebtedness, of any person, firm, corporation or association, and the interest and indebtedness represented thereby, which are not specifically embraced herein or in an indenture supplemental hereto or actually deposited with the Trustee), including particularly and without restricting the generality of the foregoing grant, the following property, namely:

## I.

## SCHENECTADY POWER COMPANY PROPERTIES.

All the property, rights, titles or interests of the Company formerly owned by Schenectady Power Company and comprising, among other things, two hydro-electric plants with their appurtenant water rights, and certain transmission lines and distribution systems with their appurtenant franchises and auxiliary apparatus, substantially as follows:

Description  
of property:  
Schenectady  
Power  
Company  
properties.

*Johnsonville hydro-electric plant.* On the Hoosac River at Johnsonville. Concrete dam, brick, steel and concrete power house, installed generating capacity of approximately 3,600 kilowatts and auxiliary apparatus.

*Schaghticoke hydro-electric plant.* On the Hoosac River at Schaghticoke. Concrete dam, canal, steel pen stock, brick,

steel and concrete power house, installed generating capacity of approximately 12,000 kilowatts and auxiliary apparatus.

*Transmission lines.* Johnsonville to Schaghticoke and Schaghticoke to Schenectady.

*Distribution systems.* In Johnsonville, Schaghticoke and Valley Falls.

The property described under this heading includes, among other things, all the property, rights, titles or interests conveyed to Schenectady Power Company, either under that name or under the name under which it was incorporated, viz., Schaghticoke Electric Company, by the following grantors, by instruments dated and recorded as follows, for a more particular description whereof reference to the said instruments is hereby made:

Grantor	Date	Recorded		
		County	Book of Deeds	Page
George E. Greene	Aug. 20, 1903	Rensselaer	291	66
George E. Greene	Sept. 30, 1903	Rensselaer	291	340
Schaghticoke Mills Company	Sept. 5, 1906	Rensselaer	307	300
Schaghticoke Mills Company	Oct. 29, 1906	Rensselaer	307	414
Addie B. Sprague	Nov. 5, 1906	Rensselaer	313	91
Empire Mill & Coal Company	Nov. 12, 1906	Rensselaer	313	151
Mary and John Condee	Nov. 22, 1906	Rensselaer	313	95
Richard C. Gunner	Nov. 22, 1906	Rensselaer	313	95
Daniel Dougherty et al.	Dec. 1, 1906	Rensselaer	313	96
Elizabeth R., Elisha S., and F. M. Baucus	Dec. 14, 1906	Rensselaer	313	98
William Speenborg and wife	Dec. 17, 1906	Rensselaer	313	99
Thomas W. McQuirk	Dec. 17, 1906	Rensselaer	313	100
William S. Gordon	Jan. 5, 1907	Rensselaer	313	101
Anna M. and Russell T. Congdon	Jan. 11, 1907	Rensselaer	313	102
Dora L. Hunt	Jan. 15, 1907	Rensselaer	313	104
Watson N. Sprague and wife	Feb. 4, 1907	Rensselaer	313	105
Emmet N. Akin and wife	Feb. 14, 1907	Rensselaer	313	106
Laflin & Rand Powder Company	Feb. 14, 1907	Rensselaer	313	147
Laflin & Rand Powder Company	Feb. 14, 1907	Rensselaer	313	149
James Keyes and wife	Feb. 27, 1907	Rensselaer	313	108
Katherine E. Tarbell	Feb. 28, 1907	Rensselaer	313	157
Marion H. Gamble	Mar. 27, 1907	Rensselaer	313	109
Edgar B. Chase and wife	Mar. 27, 1907	Washington	144	336
Theodore and Minnie Button	Mar. 27, 1907	Rensselaer	313	110
Cable Flax Mills	Mar. 28, 1907	Rensselaer	324	352
Alexander Diver and wife	Mar. 29, 1907	Rensselaer	313	112
Arvilla E. Diver	Mar. 29, 1907	Rensselaer	313	157
Alice Tierney	Mar. 29, 1907	Rensselaer	313	113
Warren and Delia Akin	Apr. 1, 1907	Rensselaer	313	115
Charles King and wife	May 2, 1907	Washington	144	333
Richard C. Gunner	May 28, 1907	Rensselaer	313	116
Sarah E. Hall	May 29, 1907	Washington	144	335
William W. Bryan	June 7, 1907	Rensselaer	313	117
Mary C. Burlingame	June 11, 1907	Rensselaer	313	118
Jane B. and Rhoda M. Curtis	June 25, 1907	Rensselaer	313	119
Herbert A. Burch and wife	June 29, 1907	Washington	144	338
Charles A. Miller and wife	July 1, 1907	Rensselaer	313	120

Grantor	Date	Recorded		
		County	Book of Decds	Page
Sidney E. Durfee and wife	Aug. 12, 1907	Rensselaer	313	121
Ettie M. Phillips et al		Washington	144	626
George E. Greene and wife	Aug. 27, 1907	Rensselaer	313	123
John G. Durfee and wife	Sept. 19, 1907	Rensselaer	313	125
Dexter I. and Hattie Dunham	Sept. 25, 1907	Washington	144	331
George and Ruth Jones	Sept. 25, 1907	Saratoga	268	448
Howard W. Starr and wife	Sept. 26, 1907	Saratoga	268	451
Francis B. Cornell	Oct. 2, 1907	Rensselaer	313	129
Willie H. Rich	Oct. 3, 1907	Rensselaer	313	133
Lewis Bickford and wife	Oct. 16, 1907	Washington	144	332
Lewis Bickford and wife	Oct. 17, 1907	Rensselaer	313	126
Elizabeth A. Vander Vost et al.	Oct. 17, 1907	Rensselaer	313	127
Howard W. Starr and wife	Oct. 18, 1907	Saratoga	268	449
Noe Trahan	Oct. 25, 1907	Rensselaer	313	132
Marcus L. Aikin and wife	Nov. 8, 1907	Saratoga	268	462
Thomas McCune and wife	Nov. 8, 1907	Rensselaer	313	134
	Nov. 20, 1907	Rensselaer	313	136
		excepting such portion as may have been dedicated for highway purposes		
Thomas McCune and wife	Nov. 20, 1907	Rensselaer	322	108
		excepting such portion as may have been dedicated for highway purposes		
Adam Y. Myers and wife	Nov. 22, 1907	Rensselaer	313	137
K. and S. Rafinski	Nov. 23, 1907	Saratoga	268	456
Benjamin F. Corey and wife	Nov. 25, 1907	Rensselaer	313	138
Fred H. Aikin	Nov. 26, 1907	Rensselaer	313	140
Ruth A. Hayner	Nov. 26, 1907	Rensselaer	313	155
Clarence E. Akin and wife	Nov. 27, 1907	Rensselaer	313	322
Willis P. Smith	Nov. 29, 1907	Saratoga	270	138
Alice H. Smith	Dec. 2, 1907	Saratoga	270	139
Valdy E. Akin and wife	Dec. 20, 1907	Rensselaer	313	175
Jacob Welling	Jan. 9, 1908	Rensselaer	313	340
Alice C. Fort, Executrix & Trustee under will Sophia Gifford	Jan. 9, 1908	Rensselaer	313	312
Alice C. Fort et al.	Jan. 9, 1908	Rensselaer	313	313
Thomas R. Mills et al.	Jan. 15, 1908	Rensselaer	314	23
Emily F. Button	Jan. 28, 1908	Rensselaer	320	366
Thomas F. Bryer et al.	Jan. 29, 1908	Saratoga	268	464
Flora L. Williams	Jan. 29, 1908	Saratoga	268	447
Schaghticoke Mills Company, by Charles H. Tolhurst et al., Trustees in Bankruptcy	Jan. 31, 1908	Rensselaer	313	456
Howard W. Starr and wife	Feb. 8, 1908	Rensselaer	313	509
A. B. and L. J. Nash	Feb. 10, 1908	Saratoga	268	459
Melville L. Akin	Feb. 12, 1908	Rensselaer	313	505
Lucinda Kings	Feb. 17, 1908	Saratoga	268	438
J. Vander Car	Feb. 17, 1908	Saratoga	268	463
M. C. Flagler and wife	Feb. 21, 1908	Saratoga	268	461
Theodore Button and wife	Feb. 26, 1908	Rensselaer	318	301
Charles Buffett	Feb. 28, 1908	Not recorded		
William and George Gow et al.	Feb. 29, 1908	Rensselaer	314	337
Clarence E. Akin and wife	Mar. 5, 1908	Rensselaer	314	444
Fred H. Akin	Mar. 5, 1908	Rensselaer	314	445
J. E. Johnson and wife	Mar. 10, 1908	Saratoga	268	458
A. C. Peck et al.	Mar. 11, 1908	Saratoga	268	460
J. K. Losee and wife	Mar. 13, 1908	Saratoga	268	439
J. F. Vanderpool et al	Mar. 14, 1908	Schenectady	186	324

Grantor	Date	Recorded		
		County	Book of Decds	Page
H. M. Rexford	Mar. 16, 1908	Saratoga	268	445
W. J. Esmond et al.	Mar. 19, 1908	Saratoga	268	442
N. C. Hayes et al.	Mar. 19, 1908	Saratoga	268	443
F. P. Smith et al.	Mar. 20, 1908	Saratoga	268	465
Julia A. Doten et al.	Mar. 21, 1908	Saratoga	268	468
Stephen Smith et al.	Mar. 27, 1908	Saratoga	268	453
Melville L. Aikin	Mar. 28, 1908	Rensselaer	314	446
T. and H. Zimnickey	Apr. 11, 1908	Saratoga	268	440
Katherine S. Rose	Apr. 13, 1908	Schenectady	186	319
Marvin Fellows	Apr. 14, 1908	Saratoga	267	436
M. and M. A. Butler	Apr. 14, 1908	Saratoga	268	450
George H. and Stella Smith	Apr. 16, 1908	Saratoga	267	439
James Plant and wife	Apr. 16, 1908	Saratoga	267	438
George R. and Ada Martin	Apr. 24, 1908	Saratoga	267	438
John E. Nessle et al.	Apr. 25, 1908	Saratoga	268	452
Annie E. and Katie Collins	Apr. 29, 1908	Schenectady	188	11
S. J. and Geo. Hunter	Apr. 30, 1908	Saratoga	268	463
Henry and Sarah E. Thierolf	May 18, 1908	Saratoga	268	441
F. W. and M. L. Betts	June 1, 1908	Saratoga	268	454
Jane M. McKain	June 9, 1908	Saratoga	268	446
William Cashin et al.	June 11, 1908	Schenectady	186	317
Mary E. and Harriet I. Snyder	June 26, 1908	Rensselaer	318	304
Wilhelmina Berning et al.	June 29, 1908	Schenectady	190	26
J. C. Nott et al.	July 2, 1908	Saratoga	268	457
James B. McKain and wife	July 10, 1908	Saratoga	268	466
Mary E. Yelverton	July 11, 1908	Schenectady	188	10
Charles Whitney and wife	July 15, 1908	Rensselaer	316	231
Sabra A. Mabb	July 20, 1908	Rensselaer	318	303
Joseph Morris and wife	July 24, 1908	Saratoga	268	455
Edgar M. and Charlotte Tourtellot	July 24, 1908	Saratoga	268	455
George H. Golden and wife	Aug. 5, 1908	Rensselaer	318	302
C. E. Aikin and Alva J. Thurber	Aug. 10, 1908	Rensselaer	317	1
Charles H. Beckstein and wife	Aug. 21, 1908	Rensselaer	319	27
V. Bath and wife	Aug. 29, 1908	Schenectady	186	316
Alida M. Webster	Sept. 9, 1908	Rensselaer	318	303
Ackermann Estate, by George Featherstonbaugh and M. I. Ackermann, Executors	Oct. 5, 1908	Schenectady	186	323
Alva J. Thurber	Oct. 21, 1908	Rensselaer	317	407
May Gifford et al.	Oct. 22, 1908	Rensselaer	319	32
Albert and Edith Gifford	Nov. 2, 1908	Rensselaer	319	198
William Gow and wife	Nov. 13, 1908	Rensselaer	319	30
Elizabeth P. Gow et al.	Nov. 13, 1908	Rensselaer	319	34
Michael and Ann Culnane	Nov. 21, 1908	Rensselaer	319	28
William A. and Susie T. Gage	Nov. 21, 1908	Rensselaer	319	31
Ira Herrington	Nov. 24, 1908	Rensselaer	319	24
P. and M. Murray	Dec. 8, 1908	Rensselaer	319	35
James and Mary Callahan	Dec. 9, 1908	Rensselaer	318	217
Mary A. Downs et al.	Jan. 8, 1909	Rensselaer	322	177
Herman G. Fort et al.	Jan. 8, 1909	Rensselaer	320	86
James Powers	Jan. 8, 1909	Rensselaer	319	36
Albert and Nellie L. Allen	Jan. 11, 1909	Rensselaer	319	25
James Beecroft and wife	Jan. 11, 1909	Rensselaer	319	26
Daniel J. Casey	Jan. 18, 1909	Rensselaer	319	29
John E. and Anna F. Ralston	Jan. 29, 1909	Rensselaer	320	223
George W. Lohnes, Committee for Augustus G. Downs	Apr. 2, 1909	Rensselaer	322	211

Grantor	Date	Recorded		
		County	Book of Deeds	Page
Lorenzo B. Baker et al.	Apr. 22, 1909	Rensselaer	330	468
William Haggerty and wife	May 25, 1909	Rensselaer	321	168
Arthur G. Atwood and wife	Oct. 20, 1909		Not recorded	
George Fares and wife	Nov. 8, 1909	Rensselaer	324	222
William Cashin et al.	Jan. 8, 1910	Schenectady	194	40
Ora A. and Addison Moffitt	Mar. 5, 1910	Rensselaer	326	74
Edgar B. Chase and wife	Mar. 12, 1910	Rensselaer	326	149
Edgar B. Chase and wife, and F. Pratt	Mar. 19, 1910	Washington	150	44
Beekman Estate	Apr. 29, 1910	Schenectady	194	397
Fannie C. Reinhart and husband	June 28, 1910	Washington	150	473
Emily J. and Edgar B. Chase	July 9, 1910	Rensselaer	334	185
D. M. Pratt and wife and Lucinia Pratt	July 19, 1910	Washington	150	517
James E. Lawlor et al.	July 19, 1910	Washington	150	519
Fred M. Dewey and wife	July 20, 1910	Washington	150	562
E. K. Brownell, individually	Oct. 8, 1910	Rensselaer	330	81
E. K. Brownell, Guardian	Oct. 8, 1910	Rensselaer	330	82
James and Mary A. Fagan	Oct. 10, 1910	Rensselaer	330	245
Margaret Groesbeck	Oct. 10, 1910	Washington	151	278
Emma J. Brownell and husband	Oct. 17, 1910	Washington	151	276
J. C. Herrington et al.	Dec. 24, 1910	Rensselaer	332	277
Irving Herrington	Dec. 28, 1910	Rensselaer	369	210
Emma J. Brownell and husband	Apr. 1, 1911	Rensselaer	333	59
Benjamin A. Almy and wife	May 3, 1911	Washington	153	5
James Keyes	May 23, 1911	Rensselaer	333	490
John P. Nutting and wife	Sept. 11, 1911	Rensselaer	335	444
James C. Johnston	Sept. 30, 1911	Rensselaer	336	187
Bertha Florence Gooding	Dec. 22, 1911	Rensselaer	337	247
John B. Sherman and wife	Jan. 4, 1912	Rensselaer	337	374
John B. Sherman and wife	Jan. 18, 1912	Rensselaer	337	473
H. Eycleshymer and wife	Mar. 16, 1912	Rensselaer	340	430
Mabel Alice and George Warren	May 21, 1912	Rensselaer	380	221
Elizabeth M. Baucus et al.	July 3, 1912	Rensselaer	341	300
Ruth A. Akin, individually and as executrix	Apr. 18, 1913	Rensselaer	346	300
Charles A. Miller	May 2, 1914	Rensselaer	353	321

Excepting from the properties conveyed by the above mentioned instruments (1) such parts thereof and such interests therein as were conveyed by Schenectady Power Company, either under that name or under the name under which it was incorporated, viz., Schaghticoke Electric Company, to the following grantees, by instruments dated and recorded as follows, for a more particular description whereof reference to the said instruments is hereby made:

Grantee	Date	Recorded		
		County	Book of Deeds	Page
Thomas McGuirk	Dec. 8, 1906	Rensselaer	323	233
D. M. Button	Aug. 19, 1908	Rensselaer	317	47
Lovina Viall	Dec. 24, 1908		Not recorded	
Horace Austin	Dec. 31, 1909	Washington	149	344
Dora L. Hunt	Nov. 1, 1910	Rensselaer	330	309
Samuel Skiff	Apr. 1, 1911	Rensselaer	333	317

Grantee	Date	Recorded		
		County	Book of Deeds	Page
James Keyes	May 23, 1911	Rensselaer	Not recorded	
Lemuel J. Durfee	Feb. 22, 1913	Rensselaer	345	324
The Augustinian Society of New York	Feb. 14, 1914	Rensselaer	352	230
M. Ruthosky and wife	Dec. 1, 1916	Rensselaer	369	29
Washington-Rensselaer County Cooperative Association	Nov. 9, 1917	Rensselaer	374	273
Laurence B. Brockett	Nov. 9, 1917	Rensselaer	377	396
Buskirk Dairy Association	July 26, 1918	Rensselaer	377	473
C. A. Renwick	Dec. 18, 1918	Rensselaer	387	47

and (2) such parts thereof and such interests therein as were agreed to be conveyed to the following persons by the following agreements:

Clifford P. Burch, agreement dated April 1, 1913, for purchase of certain lands on the north side of the Hoosac River at Buskirk, formerly belonging to Fred M. Dewey, Emma J. Brownell, Margaret Groesbeck and James Lawler, being parts of the lands in Washington County conveyed to the Company by said parties respectively by the deeds above mentioned.

Clifford P. Burch, agreement dated April 1, 1914, for purchase of certain lands on the south side of the Hoosac River at Buskirk, being a part of the lands conveyed to the company by Ruth A. Hayner by above mentioned deed dated November 26, 1907.

George D. Seymour, agreement dated April 24, 1920, for purchase of that part of the so-called Caroline Downs Buck's Neck Farm bordering on the highway and having a frontage on the highway of about 1,100 feet, being 1,600 feet deep on the east side and 1,500 feet deep on the west side, being a part of the lands conveyed to the Company by George E. Greene by above mentioned deed dated August 20, 1903.

## II.

### EAST CREEK PROPERTIES.

East Creek  
properties.

All the property, rights, titles or interests of the Company formerly owned by East Creek Electric Light and Power Company and comprising, among other things, four reservoirs and two hydro-electric plants with their appurtenant water rights, and certain transmission lines, substations and distribution systems with their appurtenant franchises and auxiliary apparatus, substantially as follows:

*Inghams Mills hydro-electric plant.* On East Canada Creek about five miles above its mouth. Concrete dam, brick, steel and concrete power house, installed generating capacity of approximately 5,040 kilowatts and auxiliary apparatus.

*East Creek hydro-electric plant.* On the East Canada Creek about three miles above its mouth. Masonry dam, wood frame power house, installed generating capacity of approximately 950 kilowatts and auxiliary apparatus.

*Reservoirs.* At Nine Corner Lake, Pine Lake, Canada Lake and Irving Pond.

*Transmission lines.* Inghams Mills hydro-electric plant to Tribes Hill substation. Inghams Mills hydro-electric plant to transmission line of Utica Gas and Electric Company. Inghams Mills hydro-electric plant to East Creek hydro-electric plant. East Creek hydro-electric plant to St. Johns-ville, and St. Johns-ville to Canajoharie.

*Tribes Hill substation.* Building not owned by Company. Approximately 5,000 kilowatts capacity.

*Inghams Mills substation.* Approximately 3,750 kilowatts capacity.

*St. Johns-ville substation.* Approximately 410 kilowatts capacity.

*Fort Plain substation.* Approximately 100 kilowatts capacity.

*Canajoharie substation.* Building not owned by Company. Approximately 940 kilowatts capacity.

*Distribution system.* In St. Johns-ville.

The property described under this heading includes, among other things, all the property, rights, titles or interests conveyed to East Creek Electric Light and Power Company by the following grantors, by instruments dated and recorded as follows, for a more particular description whereof reference to the said instruments is hereby made:

Grantor	Date	Recorded		
		County	Book of Deeds	Page
Guy R. Beardslee and wife and Helen C. Beardslee	Oct. 7, 1902	Herkimer	178	547
Charles E. Snyder and wife	Oct. 7, 1902	Herkimer	178	554
Gary E. Belding and wife and Myron Yoran and wife	June 24, 1904	Herkimer	184	467
Truman Snell and wife	Nov. 4, 1904	Herkimer	185	308
Adam Belinger and wife	Nov. 17, 1904	Herkimer	185	487
DeWitt DeVoe and wife	Dec. 24, 1906	Fulton	117	514
Emiline LaDue (formerly Em- iline Craigie) and James Craigie and wife	Dec. 24, 1906	Fulton	117	544
Norman C. Loucks	Dec. 27, 1906	Herkimer	192	330
Mary R. Timmerman	Jan. 26, 1907	Herkimer	192	325
Norman C. Loucks	Jan. 26, 1907	Herkimer	192	409
Everett L. Dunckel and wife	Mar. 4, 1907	Fulton	121	101
Ross S. Sadler and wife	Mar. 4, 1907	Fulton	121	102
Joshua Snell and wife	Mar. 30, 1907	Fulton	121	162
Estella G. Thompson et al.	Apr. 1, 1907	Herkimer	193	477

Grantor	Date	Recorded		
		County	Book of Deeds	Page
Jeremiah Mahoney	Apr. 3, 1907	Fulton	112	181
James D. Sadler	Apr. 22, 1907	Herkimer	193	301
Katherine Ingham	Apr. 24, 1907	Herkimer	193	360
Charles Kyser et al.	May 7, 1907	Herkimer	193	538
Superintendent of Highways, St. Johnsville	Dec. 2, 1909	Montgomery	169	41
C. C. Bellinger	Feb. 2, 1910	Montgomery	166	174
James D. Sadler and wife	July 2, 1910	Herkimer	206	110
Franklin W. Cristman and wife	Nov. 7, 1910	Herkimer	206	97
Joseph I. Tanner	Nov. 9, 1910	Herkimer	206	101
Ralph D. Earl	Nov. 9, 1910	Herkimer	206	99
Ralph D. Earl	Nov. 9, 1910	Montgomery	166	507
Joseph Tanner	Nov. 9, 1910	Fulton	130	108
Ross S. Sadler and wife	Nov. 15, 1910	Herkimer	206	108
Maria Failing, Mary F. Timmer- man and Nellie F. Scudder	Nov. 26, 1910	Montgomery	166	413
James D. Sadler and wife	Dec. 15, 1910	Fulton	130	24
James Cristman	Dec. 15, 1910	Fulton	130	22
James D. Sadler and wife	Dec. 15, 1910	Montgomery	166	503
Dewitt DeVoe	May 22, 1911	Fulton	130	338
Superintendent of Highways, Mohawk	June 5, 1911	Montgomery	169	29
Superintendent of Highways, Amsterdam	June 9, 1911	Montgomery	169	32
Herbert D. Allen	Oct. 23, 1911	Montgomery	169	234
George P. Davis	Nov. 5, 1911	Montgomery	169	269
Edward Johnson	Nov. 9, 1911	Montgomery	169	269
Bert Klock	Mar. 18, 1912	Montgomery	169	426
Samuel B. Kyser and wife	July 5, 1912	Herkimer	213	280
Charles E. Snyder and wife	Aug. 31, 1912	Herkimer	213	597
Charles E. Snyder and wife	Aug. 31, 1912	Herkimer	214	19
William H. Collins and wife	Sept. 14, 1912	Fulton	136	128
William H. Collins	Sept. 14, 1912	Montgomery	173	119
George C. Steele	Sept. 16, 1912	Montgomery	173	165
George C. Steele and Lucy F. Steele	Sept. 16, 1912	Fulton	136	173
Guy R. Beardslee and wife	Sept. 17, 1912	Herkimer	214	137
George C. Steele and Lucy F. Steele	May 16, 1913	Fulton	137	89
Everett Johnson	July 16, 1913	Fulton	137	223
John W. Graff	Aug. 1, 1913	Fulton	137	270
Guy R. Beardslee	Nov. 4, 1913	Fulton	151	590
Guy R. Beardslee	Nov. 4, 1913	Fulton	137	544
Seymour J. Bellinger	Mar. 23, 1914	Montgomery	175	376
Guy R. Beardslee and wife	Nov. 23, 1914	Montgomery	177	569
Cecil Hillabrandt et al.	Dec. 10, 1914	Montgomery	175	560
John E. Shaffer, Etta S. Miller and Emma Shaffer	Dec. 14, 1914	Montgomery	175	573
Guy R. Beardslee and wife	Dec. 21, 1914	Montgomery	178	16
Daniel A. Sitterly	Jan. 4, 1915	Fulton	142	349
Guy R. Beardslee	Jan. 17, 1915	Montgomery	175	574
Guy R. Beardslee	Apr. 17, 1915	Montgomery	178	46
Ursula Lowell	Oct. 12, 1915	Montgomery	178	163
Edward W. Rean	Oct. 12, 1915	Montgomery	178	164
Peter S. Richardson and Glen E. Richardson, execs., et al.	Nov. 16, 1915	Montgomery	178	312
William H. Allen and wife	Nov. 22, 1915	Montgomery	178	424
William H. Allen and wife	Nov. 23, 1915	Montgomery	178	425
Gideon Bellinger and wife	Nov. 30, 1915	Montgomery	178	243

Grantor	Date	Recorded		
		County	Deeds	Book of Page
Burt Hanad	Nov. 30, 1915	Montgomery	178	244
Fred A. Kollner	Dec. 11, 1915	Montgomery	178	230
Asa B. Timmerman	Nov. 30, 1915	Montgomery	178	242
Mary J. Klock	Dec. 22, 1915	Montgomery	178	243
Charles Sanders	Dec. 29, 1915	Montgomery	183	208
C. M. Hillegas and Anna M. Hillegas	Dec. 30, 1915	Montgomery	178	249
Louisa Chawgo	Dec. 16, 1916	Montgomery	178	509
Rubin B. Beekman and wife	July 11, 1917	Montgomery	183	111
William Timmerman and wife	July 13, 1917	Herkimer	235	89
Firman Onderkirk	July 30, 1917	Fulton	151	484
Catherine E. McMahon	Oct. 19, 1917	Montgomery	183	202
Domenico Gotti	Oct. 25, 1917	Montgomery	183	207
Louisa Chawgo	Dec. 7, 1917	Montgomery	183	258
Elizabeth A. Fredericks	Dec. 24, 1917	Montgomery	183	280
Mary M. Yoran	Dec. 24, 1917	Montgomery	183	308
Guy R. Beardslee	Apr. 17, 1918	Montgomery	183	377
Guy R. Beardslee	May 15, 1918	Montgomery	183	394
J. S. Snell and wife	May 31, 1918	Montgomery	183	401
Montgomery Electric Light and Power Company	Sept. 11, 1918	Montgomery	185	23
John Reinhart	Feb. 25, 1919	Montgomery	185	44
Mary Reinhart and John Reinhart	Feb. 25, 1919	Montgomery	185	43
Montgomery Electric Light and Power Company	Feb. 27, 1919	Montgomery	185	60
Ursula Lowell, and Lorenzo Lupo and wife	Mar. 1, 1919	Montgomery	185	59

Excepting from the properties conveyed by the above mentioned instruments, such parts thereof and such interests therein as were conveyed by East Creek Electric Light and Power Company to the following grantees, by instruments dated and recorded as follows, for a more particular description whereof reference to the said instruments is hereby made:

Grantee	Date	Recorded		
		County	Deeds	Book of Page
Guy R. Beardslee	Jan. 17, 1915	Montgomery	175	574
New York State Realty and Terminal Company	Mar. 18, 1918	Montgomery	183	352

### III.

#### SCHENECTADY ILLUMINATING COMPANY PROPERTIES.

All the property, rights, titles or interests of the Company acquired by it prior to May 1, 1919, when its name was Schenectady Illuminating Company and comprising, among other things, a substation and certain distribution systems

Schenectady Illuminating Company properties.

with their appurtenant franchises and auxiliary apparatus, substantially as follows:

*Schenectady substation.* Building not owned by Company. Approximately 4,400 kilowatts capacity.

*Distribution systems.* Overhead in Schenectady and vicinity and underground in Schenectady.

The property described under this heading includes, among other things, all the property, rights, titles or interests conveyed to Schenectady Illuminating Company by deed from James O. Carr and wife dated October 10, 1907, recorded in Schenectady County Book of Deeds, 283, Page 152, for a more particular description whereof reference to the said deed is hereby made.

#### IV.

#### MOHAWK GAS COMPANY PROPERTIES.

Mohawk Gas  
Company  
properties.

All the property, rights, titles or interests of the Company formerly owned by Mohawk Gas Company of Schenectady and comprising, among other things, a gas plant and distribution system with appurtenant franchises and apparatus, substantially as follows:

*Schenectady gas plant.* In Schenectady. Brick and steel tile roofed buildings on pile foundations, water gas and coal gas installations. One 200,000 gallon and one 75,000 gallon oil tank. One 2,000,000 cubic foot and one 800,000 cubic foot steel tank storage holder.

*Gas distribution system.* In city of Schenectady and suburbs.

The property described under this heading includes, among other things, all the property, rights, titles or interests conveyed to Mohawk Gas Company of Schenectady by the following grantors, by instruments dated and recorded as follows, for a more particular description whereof reference to the said instruments is hereby made:

Grantor	Date	Recorded		
		County	Book of Deeds	Page
Charles E. Palmer, Referee	Dec. 31, 1894	Schenectady	101	168
Garrett S. Veeder and wife	Nov. 25, 1899	Schenectady	117	380
Joseph H. Clements and wife	Feb. 24, 1902	Schenectady	134	7
Edwin C. Angle	Nov. 6, 1902	Schenectady	140	309
Abram G. Veeder et al	Apr. 7, 1903	Schenectady	148	296
Clark L. Van Allen and wife	May 18, 1903	Schenectady	144	165
Robert Wahl and wife	May 18, 1910	Schenectady	197	74
Max Frumkin and wife	Aug. 5, 1914	Schenectady	237	187
James E. Bramhall	Aug. 17, 1917	Albany	669	83

Excepting from the properties conveyed by the above mentioned instruments, such parts thereof and such interests therein as were conveyed by Mohawk Gas Company of Schenectady to the following grantees, by instruments dated and recorded as follows, for a more particular description whereof reference to the said instruments is hereby made:

Grantee	Date	Recorded		
		County	Book of Deeds	Page
Edison General Electric Company	June 22, 1903	Schenectady	156	303
Delaware and Hudson Company	Nov. 12, 1907	Schenectady	179	271
Robert Wahl	Apr. 30, 1910	Schenectady	194	399
Max Frumkin	Aug. 5, 1914	Schenectady	237	190

## V.

THE EDISON ELECTRIC LIGHT AND POWER COMPANY OF AMSTERDAM PROPERTIES.

All the property, rights, titles or interests of the Company formerly owned by The Edison Electric Light and Power Company of Amsterdam and comprising, among other things, a substation and certain distribution systems with their appurtenant franchises and auxiliary apparatus, substantially as follows:

*Amsterdam substation.* Building not owned by Company. Approximately 4,080 kilowatts capacity.

*Distribution systems.* Overhead in Amsterdam and vicinity and underground in Amsterdam.

The Edison  
Electric Light  
and Power  
Company  
of Amsterdam  
properties.

## VI.

MOHAWK EDISON COMPANY, INC., PROPERTIES.

All other property, rights, titles or interests of the Company, particularly in and to all additions, extensions, betterments and improvements of and to the foregoing property including all equipment and apparatus pertaining thereto.

Mohawk  
Edison Com-  
pany, Inc.,  
properties.

The property described under this heading includes, among other things, all the property, rights, titles or interests conveyed to Mohawk Edison Company, Inc. by the following grantors, by instruments dated and recorded as follows, for a more particular description whereof reference to the said instruments is hereby made:

Grantor	Date	Recorded		
		County	Book of Deeds	Page
The Tabernacle Baptist Church of Schenectady	Dec. 26, 1919	Schenectady	281	73
William A. Chadwick and wife and Harry N. Porter and wife	Dec. 13, 1919	Schenectady	281	274
Baptist Missionary Convention of the State of New York	Jan. 20, 1920	Schenectady	281	341
Charles E. Snyder and wife	Mar. 1, 1920	Herkimer	247	549
Elton Hall and wife	Mar. 19, 1920	Herkimer	247	564

## VII.

## BONDS, SECURITIES, AND MISCELLANEOUS PROPERTY.

Bonds,  
securities, and  
miserellaneous  
property.

Any and all bonds, securities or other property which at any time hereafter, pursuant to this indenture or pursuant to indenture supplemental hereto, may be expressly conveyed, mortgaged or pledged and delivered to the Trustee hereunder by the Company or by a successor corporation, or with its consent by any one in its behalf, as and for any additional security for the bonds issued and to be issued hereunder, the Trustee being hereby authorized at any and all times to receive such conveyance, mortgage, pledge, delivery, assignment or transfer and to hold and apply any and all such bonds, securities or other property subject to the provisions set forth herein and which shall be set forth in such supplemental indenture; provided, however, that such conveyance, mortgage, pledge, delivery, assignment or transfer shall be subject to all of the provisions hereof including, without limitation, the provisions of section 5 of article IX hereof.

Together with all and singular the lands, rights of way, plants for the manufacture and generation of gas and electricity, easements, franchises, leases, contracts, buildings, dams, water rights, flowage rights and riparian rights, sub-stations, machinery of every kind, poles, wires, trans-

mission systems, mains, pipes, distributing systems, and all other steam, electrical, gas and mechanical apparatus, together with tools, fixtures, supplies, equipment, materials, works, and all other things whether or not in any wise belonging to or appurtenant to, forming part of, or used or intended to be used for or in connection with, any of the property aforesaid, and whether now owned or hereafter acquired by the Company, and all rights to compensation upon the termination in any manner of any public grant, and all rights, privileges, immunities, franchises and property of the Company of every name and nature, whether now owned or hereafter acquired (excepting only any and all shares of stock and other certificates or evidences of interest, and bonds, notes, and other evidences of indebtedness, of any person, firm, corporation or association, and the interest and indebtedness represented thereby, which are not specifically embraced herein or in an indenture supplemental hereto or actually deposited with the Trustee hereunder) and all rents, issues, profits and income from the property hereby conveyed or intended so to be.

TO HAVE AND TO HOLD all and singular the property, <sup>Habendum.</sup> rights, privileges, franchises and immunities aforesaid, and all property which shall become subject to this indenture, unto the Trustee, its successors and assigns in the trusts hereof, to its and their own use and behoof forever; BUT IN <sup>Declaration of trust.</sup> TRUST NEVERTHELESS, for the equal pro rata benefit of the holders of the bonds certified, issued and to be issued hereunder, without distinction by reason of priority in the issue or negotiation thereof or otherwise, and upon and for the trusts, uses and purposes and subject to the covenants, conditions and provisions herein set out.

## ARTICLE I.

### THE BONDS.

Bonds  
unlimited  
in amount.

**Section 1.** The issue of bonds hereunder shall not be limited in respect of their aggregate principal amount, except as the Company may otherwise provide in respect of any particular series at the time of the issue thereof, and except as otherwise provided in this article, and except that the total amount of bonds outstanding at any time shall not, in any event, exceed the amount at that time permitted by law.

Language  
of bonds.

**Section 2.** All the bonds to be issued under this indenture, together with the coupons appertaining thereto, shall be expressed in the English language, and any such bonds may also at the election of the Board of Directors of the Company be expressed in one or more foreign languages, but in the case of every bond so expressed the English text shall govern in the construction thereof, and both or all texts shall constitute but a single obligation.

Forms herein  
to be fol-  
lowed sub-  
stantially;

exceptions.

**Section 3.** The English text of the coupon bonds and of the registered bonds without coupons to be issued under this indenture, and of the coupons appertaining to the coupon bonds, and of the certificate of the Trustee upon all bonds, shall be, respectively, substantially of the tenor and purport above recited, and the English text of the endorsements hereinafter required on such bonds shall be substantially of the tenor and purport hereinafter provided, all except as otherwise provided in this indenture, and except:

(1) that the Company by resolution of its Board of Directors may make such changes in the provi-

sions of any bonds issued hereunder as may be necessary or incidental to the exercise by the Company of any rights hereby reserved to it in respect of the terms or provisions thereof, provided that such changes are approved as to form by the Trustee; and

(2) that the Company by resolution of its Board of Directors may make such changes in respect of any bonds issued hereunder as may be necessary in order to conform to the requirements for listing on any exchange or exchanges, provided that such changes are approved by the Trustee; and

(3) that the provisions with respect to the payment of principal and interest of the bonds issued hereunder without deduction for taxes, or with respect to the call for payment of bonds issued hereunder, or any provisions with respect to the reimbursement to the holder of bonds issued hereunder of any taxes imposed upon such holder in respect of the principal or interest of such bonds, may differ in the different series of bonds authorized hereunder or may be omitted in any one or more series (except Series of 6s due 1950) as the Board of Directors of the Company shall in any case or cases determine, provided that any such provisions when differing from those above recited shall be approved as to form by the Trustee; and

(4) that in any or all of such bonds and coupons as are to be payable in foreign money or in foreign countries there shall be inserted such additional provisions, if any, as the Board of Directors of the Company shall determine and the Trustee shall approve as to form, requiring the payment of the principal and interest thereby represented without deduction for such taxes imposed by any foreign taxing authority as may be specified therein, respectively; and

(5) that there shall be such other insertions, omissions and variations in bonds and coupons payable in foreign money or in foreign countries as the Board of Directors of the Company shall deem necessary or appropriate, and the Trustee shall approve, not inconsistent with the equality of security and lien herein provided; and

(6) that any bonds shall contain such provisions, if any, and bear such endorsements, if any, in lieu of

Stock  
Exchange  
requirements.

Taxes.  
Call of bonds.

Foreign taxes.

Foreign  
bonds.

Registration,  
transfer and

exchange;  
and endorse-  
ments.

Federal stamp  
tax.

Interest rates.  
Maturities.

Denomina-  
tions.

Series; desig-  
nation, uni-  
formity, date,  
etc.

or in addition to those herein provided, concerning registration and transfer, and the interchange of coupon bonds, registered bonds without coupons of the same series, and bonds of different denominations but of the same series, as shall be considered advisable by the Board of Directors of the Company, and shall be approved by the Trustee; and

(7) that any bonds may bear, if appropriate, a legend indicating that the federal stamp tax has been paid by stamps affixed to and cancelled upon this indenture, and any bonds issued in exchange for other bonds may bear, if appropriate, a legend indicating that such tax has been paid by stamps affixed to and cancelled upon the bonds in direct or indirect exchange for which such bonds are issued.

(8) that bonds of any series except series of 6s due 1950 shall bear such date, shall bear interest at such rate or rates, and shall have such maturity or maturities, as the Board of Directors of the Company shall determine.

**Section 4.** Any of the bonds to be issued hereunder may in the discretion of the Company be issued in denominations of one thousand dollars (\$1,000), five hundred dollars (\$500); or one hundred dollars (\$100), and may be issued either as coupon bonds or as registered bonds without coupons, or in part one and in part the other. Registered bonds without coupons may also be issued in other denominations, multiples of one thousand dollars (\$1,000), as the Board of Directors of the Company may from time to time authorize.

**Section 5.** The bonds issued hereunder are to be issued in series. The bonds of each series shall be designated and distinguished by the year in which such series matures, or otherwise, and may be further designated and distinguished by an indication of the rate of interest borne by the bonds of such series, or otherwise, all as provided in the resolution of the Board of Directors of the Company providing for the issue thereof. All bonds of any one series

at any time simultaneously outstanding shall be identical in tenor and effect, except that the same may be of different denominations and may consist in part of coupon bonds and in part of registered bonds without coupons and may contain such variations of tenor and effect as are incidental to such differences of denomination and form, including variations in the provisions for interchange of bonds of different forms and denominations and in the provisions for the registration and transfer of bonds. All bonds of any one series, whenever issued, and whether coupon or registered without coupons, shall bear the same date, unless the Trustee shall approve some other practice requested by the Company which is necessary to meet some requirement of law or of a stock exchange or is necessary or desirable for some other purpose.

**Section 6.** The initial issue of bonds hereunder shall be designated as Series of 6s due 1950.

Initial issue,  
Series of 6s  
due 1950.

Series of 6s due 1950 shall be unlimited as to authorized principal amount, shall be dated March 1, 1920, shall bear interest at six per centum (6%) per annum, payable semi-annually on the first days of March and September in each year, shall mature March 1, 1950, shall be callable in whole or in part, as herein provided in article VII hereof, on any semi-annual interest date, up to and including March 1, 1925, at par and seven and one-half per centum (7½%) premium, thereafter up to and including March 1, 1930, at par and six and one-half per centum (6½%) premium, thereafter up to and including March 1, 1935, at par and five and one-half per centum (5½%) premium, thereafter up to and including March 1, 1940, at par and four and one-half per centum (4½%) premium, thereafter up to and including March 1, 1945, at par and three and one-half per centum (3½%) premium, thereafter up to and including

March 1, 1949, at par and two and one-half per centum (2½%) premium, and thereafter at par and one and one-half per centum (1½%) premium, together in each case with interest accrued to the call day, and shall be substantially of the tenor and purport above recited.

Subsequent issues.

**Section 7.** The remaining bonds secured hereby shall be divided into such series, shall bear such date or dates, shall bear interest at such rate or rates, payable semi-annually or at such other intervals, shall contain such provisions, if any, for call and redemption, and for the payment or reimbursement of taxes, shall have such maturity or maturities, shall be in such denominations and forms herein authorized, shall contain such provisions, if any, not inconsistent with the terms of this indenture for the conversion thereof into bonds of other series issued hereunder or other bonds or into stock or other securities, and shall be payable and entitled to be registered, transferred or exchanged at such place or places, if any, in addition to the office or agency of the Company in the Borough of Manhattan, City of New York, as, consistently with the provisions hereof, shall be fixed and determined by resolution of the Board of Directors of the Company prior to the issue thereof, all as herein more fully set forth, which series, date, rate of interest, intervals for payment thereof, percentage of premium upon which the same may be called, if callable, due date, and other provisions, shall be designated or referred to in said bonds, when issued.

Maturities of subsequent series.

**Section 8.** (1) The maturity of any series of bonds hereafter established may be fixed on any date not earlier than the latest date of maturity of any bonds issued hereunder outstanding at the time of the first issue of any bonds of such series.

(2) The maturity of any series of bonds hereafter established may be fixed on a date earlier than the latest date of maturity of any bonds issued hereunder outstanding at the time of the first issue of any bonds of such series, provided that no bonds of any series established under this subsection shall be issued at any time if after such issue the aggregate outstanding principal amount of bonds of all series established under this subsection maturing later than the next earlier maturing series, if any, not so established, and earlier than the next later maturing series not so established,

(a) would exceed twenty per centum (20%) of the aggregate principal amount of the bonds then outstanding of such next later maturing series, in case such later maturing series is other than Series of 6s due 1950; or

(b) would exceed said twenty per centum (20%) limit or five million dollars (\$5,000,000), whichever is greater, in case such next later maturing series is Series of 6s due 1950.

In applying said twenty per centum (20%) limit to the issue of any bonds hereunder, divisional lien bonds shall be included as a part of such twenty per centum (20%) as if they were bonds issued hereunder on the date of the acquisition by the Company of the property subject thereto; but the said limit shall not prevent the establishment of any divisional lien.

**Section 9.** At the option of the Company, from time to time expressed by resolution of its Board of Directors, the principal or interest or both of the bonds of any series to be issued hereunder payable in the City of New York, in United States gold coin, may be made payable also, at the holder's option, at such place or places in Europe and in the money of such European country at such reasonable fixed rate or rates of exchange, or the principal or interest or

Bonds payable  
in Europe and  
in European  
money.

both of the bonds of any series to be issued hereunder (except Series of 6s due 1950) may be made payable only at such place or places in Europe and in such fixed amount or amounts in European money only, as may be determined by the Board of Directors of the Company and expressed in said bonds and any coupons pertaining thereto.

Bonds issued under this section may be in such denominations, not exceeding in the case of coupon bonds one thousand dollars (\$1,000) or its equivalent at the rate of exchange below specified, as shall be determined by the Board of Directors. In case of the issue of bonds payable in European money only, for the purpose of ascertaining the amount of bonds which the Company shall be entitled, from time to time and in the aggregate, to have issued under the provisions of this indenture, twenty (20) pounds eight (8) shillings sterling, or five hundred and fourteen (514) francs, or four hundred and sixteen (416) marks, or two hundred and forty-seven and one-half (247½) guilders, shall be deemed to be the equivalent of one hundred dollars (\$100), and for said purpose, any bond payable in European money only, for an amount which at such rate or rates of exchange shall not exceed one hundred dollars (\$100) shall be deemed to be the equivalent of a bond for one hundred dollars (\$100), and any such bond for an amount which at such rate or rates of exchange shall be more than one hundred dollars (\$100), but shall not exceed five hundred dollars (\$500) shall be deemed to be the equivalent of a bond for five hundred dollars (\$500), and any such bond for an amount which at such rate or rates of exchange shall be more than five hundred dollars (\$500), but shall not exceed one thousand dollars (\$1,000) shall be deemed to be the equivalent of a bond for one thousand dollars (\$1,000); and no coupon bond payable in European money only shall be

issued for an amount which at such rate or rates of exchange would exceed one thousand dollars (\$1,000). In providing for the exchange as hereinafter authorized of the bonds of any series payable in European money only, for bonds of another series which is payable also or only in United States gold coin, the Company may provide that the bond or bonds to be issued in exchange shall be of any principal amount which does not exceed the equivalent on the basis aforesaid of the bond or bonds surrendered for exchange, and may provide such other terms, conditions and limitations and require such other adjustments as in the discretion of the Board of Directors of the Company shall seem appropriate.

**Section 10.** In each series of bonds payable in United States gold coin the coupon bonds for one thousand dollars (\$1,000) shall be numbered consecutively from 1 upwards. One coupon bond of the denomination of one thousand dollars (\$1,000) shall be held in reserve for each two coupon bonds of the denomination of five hundred dollars (\$500) of the same series issued hereunder at the time of issue thereof, and such coupon bonds of the denomination of five hundred dollars (\$500) shall bear the issue number of the coupon bond for one thousand dollars (\$1,000) so held in reserve against them, followed, respectively, by the letters M and N. One coupon bond of the denomination of one thousand dollars (\$1,000) shall be held in reserve for each ten coupon bonds of the denomination of one hundred dollars (\$100) of the same series issued hereunder at the time of issue thereof, and such coupon bonds of the denomination of one hundred dollars (\$100) shall bear the issue number of the coupon bond for one thousand dollars (\$1,000) held in reserve against them, followed, respectively, by the letters A to J. The number borne by any one thousand

Reservation  
and issue of  
\$1,000 coupon  
bonds against  
bonds of  
smaller de-  
nominations.

Numbering  
and lettering  
of bonds.

dollar (\$1,000) coupon bond upon its issue or upon its being so held in reserve, or upon a registered bond without coupons being issued in lieu thereof or in exchange therefor as hereinafter provided, is herein referred to as its "issue number." The issue numbers of all one thousand dollar (\$1,000) bonds may, in the discretion of the Board of Directors of the Company, be preceded by the letter M, the numbers of all five hundred dollar (\$500) bonds by the letter D, and the numbers of all one hundred dollar (\$100) bonds by the letter C. All coupon bonds of the denomination of one thousand dollars (\$1,000) each of any series so held in reserve, whether for bonds of the denomination of five hundred dollars (\$500) each or for bonds of the denomination of one hundred dollars (\$100) each, shall be available for issue in exchange for bonds of such series of either or both of the lower denominations, without regard to the denomination for which they were originally held in reserve; and in case of any such exchange, the issue number borne by the bond so issued shall be the lowest issue number of such bonds then so reserved.

**Endorsements  
on \$100 and  
\$500 coupon  
bonds.**

Each coupon bond of the denomination of five hundred dollars (\$500) or one hundred dollars (\$100) issued hereunder shall, except as hereinbefore provided, bear substantially the following endorsement:

"The holder of this bond may, at his option, on surrender and cancellation of this bond and others of the same series aggregating one thousand dollars (\$1,000), with all unmatured coupons, and on payment of charges as provided in the within-mentioned mortgage or deed of trust, receive in exchange a coupon bond of this series, of a number not contemporaneously outstanding, for one thousand dollars (\$1,000)."

**Issue of  
registered  
bonds.**

**Section 11.** In each series of bonds payable in United States gold coin, registered bonds without coupons shall

be issued only in lieu of or in exchange for a coupon bond or coupon bonds of the same series and aggregate principal amount. The Trustee shall mark every such registered bond without coupons issued hereunder, whether issued originally as such or as herein provided in exchange for a coupon bond or bonds, or in exchange for other registered bonds without coupons, with the day of its certification, which shall also be the date of its delivery by the Trustee, and such bond shall bear interest from the semi-annual interest date next preceding the date of certification thereof, unless such date of certification be a semi-annual interest date, in which case such bond shall bear interest from such date of certification. The date of certification of registered bonds issued upon any such exchange shall be such that the holder shall neither lose nor gain interest by the exchange.

Every such registered bond without coupons of the denomination of one hundred dollars (\$100), or five hundred dollars (\$500) shall bear an endorsement stating the number of the coupon bond or bonds in lieu of or exchange for which it is issued, such endorsement being, except as hereinbefore provided, in substantially the following form:

Endorsements  
on registered  
bonds.

“This bond is issued in lieu of or in exchange for coupon bond(s) numbered \_\_\_\_\_ of the same series not contemporaneously outstanding, aggregating the face value hereof, and a coupon bond of said series of the denomination of one thousand dollars (\$1,000), of a number not contemporaneously outstanding, will be issued in exchange for this bond and other registered bonds without coupons of the same series, aggregating in principal amount one thousand dollars (\$1,000), upon their surrender and cancellation and payment of charges, all as more fully provided in the within-mentioned mortgage or deed of trust.”

Every such registered bond without coupons of the denomination of one thousand dollars (\$1,000) shall, ex-

cept as hereinbefore provided, similarly bear an endorsement in substantially the following form:

“This bond is issued in lieu of or in exchange for coupon bond(s) numbered \_\_\_\_\_ of the same series, not contemporaneously outstanding, and a coupon bond of said series and the denomination of one thousand dollars (\$1,000), of a number not contemporaneously outstanding, will be issued in exchange for this bond upon its surrender and cancellation and payment of charges, all as more fully provided in the within-mentioned mortgage or deed of trust.”

The issue numbers endorsed on any such registered bond without coupons of the denomination of one thousand dollars (\$1,000) or more issued in exchange for two or more bonds of denominations of less than one thousand dollars (\$1,000) each, shall be the issue numbers of the coupon bonds of the denomination of one thousand dollars (\$1,000) which would have been issuable upon such exchange had coupon bonds instead of registered bonds without coupons been requested.

Every such registered bond without coupons of the denomination of any multiple of one thousand dollars (\$1,000) shall, except as hereinbefore provided, similarly bear an endorsement in substantially the following form:

“This bond is issued in lieu of or in exchange for coupon bonds numbered \_\_\_\_\_ of the same series, not contemporaneously outstanding, and coupon bonds of said series and of the denomination of one thousand dollars (\$1,000) each, of numbers not contemporaneously outstanding, and aggregating in principal amount the denomination of this bond, will be issued in exchange for this bond upon its surrender and cancellation, and payment of charges, all as more fully provided in the within-mentioned mortgage or deed of trust.”

**Section 12.** The Company shall keep at its office or agency in the Borough of Manhattan, City of New York, and at such other place or places, if any, as shall be designated in any bond issued hereunder, books for the registration, transfer and exchange of bonds issued hereunder, which, at all reasonable times, shall be open for inspection by the Trustee or by the holder of any bond issued hereunder; and upon presentation for such purpose at any such office the Company will register or cause to be registered, transferred or exchanged therein, as hereinafter provided and under such reasonable regulations as it may prescribe, any bonds issued under this indenture and entitled to be registered, transferred or exchanged at such office.

Books for  
registration,  
transfer and  
exchange  
of bonds.

**Section 13.** The holder of any coupon bond issued hereunder may upon payment of the charge specified in section 17 of this article have the ownership thereof registered on said books of the Company at its office or agency aforesaid or at the place or places indicated in said bond and such registration noted on the bond. After such registration no transfer shall be valid unless made on the said books by the registered holder in person or by his duly authorized attorney and similarly noted on the bond; but the bond may be discharged from registration by being in like manner transferred to bearer, and thereupon transferability by delivery shall be restored; and such bond may again, from time to time, be registered, or transferred to bearer, as before. Such registration, however, shall not affect the negotiability of the coupons, but every such coupon shall continue to be transferable by delivery merely, and shall remain payable to bearer.

Registration  
of coupon  
bonds.

**Section 14.** Any registered bond without coupons may, upon payment of the charge specified in section 17 of this article, be transferred at the office or agency of the Com-

Transfer of  
registered  
bonds.

pany in the Borough of Manhattan, City of New York, or at such other place or places, if any, as may be designated therefor, by surrender of such bond for cancellation, accompanied by a written instrument of transfer in form approved by the Company, duly executed by the registered holder of such bond. .

Exchange of  
bonds of same  
series.

**Section 15.** Bonds of any form and denomination, if accompanied by all coupons, if any, for future interest thereon, are exchangeable upon payment of the charge specified in section 17 of this article for an equal aggregate principal amount of other bonds of the same series, of any form and denomination the issue of which has been provided for; provided that no bonds of the denomination of one hundred dollars (\$100) or five hundred dollars (\$500) shall be so issued in exchange unless the Company shall provide for such exchange, as to any one or more series of bonds, in a manner and on terms approved by the Trustee.

Exchange of  
bonds of dif-  
ferent series.

**Section 16.** The Company, by resolution of its Board of Directors, may provide either as part of the terms upon which the bonds of any series are issued or otherwise that, upon the surrender of any such bonds with all unmatured coupons, if any, thereto appertaining, and subject to such terms, conditions, limitations and adjustments as are so provided, the holders thereof may exchange the same for other bonds of the Company issuable hereunder of an equivalent aggregate principal amount of some one or more other series, of not earlier maturity, and the Trustee, upon the request of the Company and upon compliance with the terms so provided, shall certify and deliver such other bonds of an equivalent aggregate principal amount; provided, however, that the bonds of the series to be issued in exchange shall be of such description that under

the provisions hereof the same could have been issued by the Company (were the bonds to be surrendered in exchange not outstanding) either at the time when the Company shall have provided for such exchange or, failing that, at the time of such exchange. In case of any such exchange, the Trustee shall forthwith cancel the surrendered bond or bonds and the accompanying coupons, if any, and on its written request deliver the same, cancelled, to the Company.

**Section 17.** In every case of transfer (other than of a coupon bond registered as to principal) or exchange the bond or bonds, and the coupons, if any, surrendered to the Company shall be cancelled, and for any exchange (except as herein provided) of bonds of any form and denomination for other bonds of the same series and for any registration of coupon bonds and for any transfer of registered bonds without coupons or of coupon bonds registered as to principal the Company may make a charge sufficient to reimburse it for any stamp tax or governmental charge required to be paid, and in addition may charge a sum not exceeding one dollar (\$1) for every bond issued upon such exchange or transfer, and for each registration of a coupon bond, and payment of said charges shall be made by the party requesting such registration, exchange or transfer as a condition precedent thereto.

The Company shall not be required to make exchanges or transfers of bonds for a period of ten days next preceding an interest day thereof.

Fees on  
registration,  
transfer and  
exchange.

Exchanges  
and transfers  
before interest  
dates.

**Section 18.** All the bonds issued hereunder shall, from time to time, be executed on behalf of the Company by its President or one of its Vice-Presidents and by its Secretary or one of its Assistant Secretaries, or by such other form of execution as shall be prescribed by statute, by-law,

Execution  
of bonds  
and coupons.

or vote of the Board of Directors of the Company, and shall be sealed with its corporate seal. The coupons to be attached to coupon bonds issued hereunder shall be authenticated by the facsimile signature of the present Treasurer or of any future Treasurer of the Company, and the Company may also adopt and use for that purpose the facsimile signature of any person who shall have been such Treasurer, notwithstanding the fact that he may have ceased to be such Treasurer at the time of the execution hereof or at the time when such bonds shall be actually certified and delivered.

In case any of the officers who shall have signed and sealed any bonds shall cease to be such officers before the bonds so signed and sealed shall have been actually certified by the Trustee and delivered by the Company, such bonds nevertheless may be issued, certified and delivered with the same force and effect as though the person or persons who signed and sealed such bonds had not ceased to be such officer or officers of the Company.

Certification  
and delivery  
of bonds :  
Trustee to  
receive

**Section 19.** Bonds executed on behalf of the Company and delivered to the Trustee, on application of the Treasurer of the Company, shall, except as below in this section provided, be certified by the Trustee and delivered from time to time to the Treasurer of the Company, or upon his written order, but only in accordance with the authorizing provisions of this indenture and then only when the Trustee shall have received

(a) resolution  
of Directors ;

(a) A certified copy of a resolution or vote of the Board of Directors of the Company, authorizing the issue and directing the certification and delivery of such bonds and designating the amount thereof, their denominations, issue numbers (or the issue numbers to be endorsed thereon) and series designation, and if they are to be of a series not theretofore created, designating the new series and specifying the amount of such series (if limited), the date,

the maturity, the place of payment, the interest rate, the interest payment dates, the redemption price, if any, the rate of exchange if payable in the alternative in European money or in money of the United States of America, or the fixed amount or amounts if payable in European money only, the language or languages in which the same shall be expressed, the taxes in respect thereof or in respect of the interest thereon assumed by the Company, if any, the form of the bonds, and any other particulars necessary completely to describe and define such new series within the provisions and limitations of this mortgage or deed of trust.

(b) The opinion of counsel (who may be of counsel to the Company) selected by the Company and acceptable to the Trustee, stating whether the approval, by a Public Service Commission or other authority, of the issue of bonds requested, is required by law, and if so by what authority and that such approval has been secured; and that all action on the part of the Company, which is necessary to the authorization of the issue of such bonds, has been taken.

(b) opinion of  
counsel;

(c) A certified copy of the order of the Public Service Commission or other public authority, provided such approval is in the opinion of such counsel required by law; but if such counsel is of the opinion that no such approval is required by law, then there shall be delivered to the Trustee his opinion to that effect.

(c) order of  
Public Service  
Commission.

No bond shall be secured hereby unless there shall be endorsed thereon the certificate of the Trustee, substantially in the form hereinbefore recited, that it is one of the bonds (or temporary bonds) herein described; and such certificate on any bond shall be conclusive evidence that it is duly issued and is secured hereby.

Effect of  
Trustee's  
certificate.

Before certifying any bonds the Trustee shall cut off, cancel and deliver to the Company all matured coupons thereon.

Matured  
coupons to  
be cancelled.

At any time when the Company is in default under any provision hereof which would constitute an event of default as herein defined if the appropriate period of grace

Certification  
during  
default.

stated in section 1 of article XI hereof should elapse, the Trustee may, in its discretion, either certify and deliver or refuse to certify and deliver further bonds under this section, and in either case shall be without liability. At any time when an event of default as herein defined has occurred and has not been cured as herein provided, the Trustee shall not certify or deliver any additional bonds under this section.

Temporary  
bonds.

**Section 20.** Until engraved bonds are ready for delivery, there may be issued, certified and delivered in lieu of any thereof, temporary written, printed or lithographed bonds in bearer or registered form substantially of the same tenor, except that coupons may be omitted from temporary bonds, but with such appropriate omissions, insertions and variations as may be determined by the Treasurer or Assistant Treasurer of the Company and approved by the Trustee, and such temporary bonds may be in such denominations as the Company may determine.

As soon as engraved bonds are ready for delivery in exchange therefor, the holders of such temporary bonds may surrender the same to the Company for cancellation at its office or agency in the Borough of Manhattan, City of New York, or at such other place or places, if any, as may be designated therefor, together with any unmatured coupons thereto attached, and shall be entitled to receive in exchange such engraved bonds either in the form of coupon bonds or in the form of registered bonds without coupons of the same series and of a like principal amount; provided, however, that no engraved bonds so issued in exchange shall be in denominations of less than one thousand dollars (\$1,000) unless the Company so elects or the terms of the temporary bonds exchanged so require. Such exchange will be made by the Company at its own expense and without mak-

ing any charge therefor, and the Company will prepare and execute the engraved bonds with all reasonable dispatch. Such temporary bonds, upon surrender as aforesaid, shall be destroyed. Until exchanged for engraved bonds, such temporary bonds shall be entitled to the lien and benefit of this mortgage or deed of trust. When and as interest is paid upon temporary bonds, the fact of such payment shall be noted thereon, unless made upon presentation and surrender of a coupon attached thereto. Until such permanent engraved bonds are ready for delivery, the holder of one or more temporary bonds may with the approval of the Company exchange the same on the surrender thereof to the Company for cancellation, and shall be entitled to receive temporary bonds of like aggregate principal amount in denominations indicated by him of one thousand dollars (\$1,000) or multiples thereof.

The Trustee shall certify and deliver engraved bonds for issue as aforesaid in exchange for temporary bonds duly certified and outstanding hereunder and shall also certify and deliver temporary bonds for exchange as aforesaid for other temporary bonds of like aggregate principal amount duly certified and issued hereunder, provided that in either such case the Trustee shall be satisfied of the cancellation of the temporary bonds surrendered in exchange.

**Section 21.** Upon receipt by the Company and the Trustee of evidence satisfactory to them of the loss or destruction of any outstanding bond hereby secured, and of indemnity satisfactory to them, or, in case of the mutilation of any such outstanding bond, upon surrender and cancellation of such bond and upon receipt of indemnity satisfactory to them if requested, the Company may execute, and the Trustee may certify and deliver, a new bond

Lost,  
destroyed or  
mutilated  
bonds.

of the same series and denomination and of like tenor and bearing the same issue number (to which the Trustee may add a distinguishing mark), to be issued in lieu of such lost, destroyed or mutilated bond as the case may be.

Bearers and  
registered  
holders  
deemed  
owners.

**Section 22.** As to all registered bonds without coupons and all coupon bonds registered as to principal, the person in whose name the same shall be registered shall be deemed and regarded as the owner thereof for all purposes of this indenture, and payment of or on account of the principal of such bond, if it be a registered coupon bond, and of the principal and interest, if it be a registered bond without coupons, shall be made only to or upon the order in writing of such registered holder thereof, but such registration may be changed as above provided. All such payments shall be valid and effectual to satisfy and discharge the liability upon such bonds to the extent of the sum or sums so paid. The Company and the Trustee each in its discretion may deem and treat the bearer of any coupon bond, which shall not at the time be registered as to principal, and the bearer of any coupon for interest on any bond, whether such bond shall be registered or not, as the absolute owner of such bond or coupon for the purpose of receiving payment thereof, and for all other purposes whatsoever, and neither the Company nor the Trustee shall be affected by any notice to the contrary.

Re-issue of  
bonds.

**Section 23.** Bonds secured hereby pledged or sold or otherwise issued by the Company, upon being released from pledge, or upon being repurchased or otherwise acquired by the Company (except when acquired by call for redemption pursuant to the provisions of the bonds or of this indenture), may again be sold, pledged, or otherwise issued, re-issued or disposed of by the Company as often as it may repossess or acquire the same, and thereupon shall continue to be entitled to the security of this indenture as upon their original issue.

## ARTICLE II.

### BONDS PRESENTLY TO BE ISSUED.

**Section 1.** Bonds of Series 6s due 1950 (which series is unlimited as to authorized principal amount) for the aggregate principal amount of five million six hundred seventy-one thousand dollars (\$5,671,000) may be executed by the Company and delivered to the Trustee, and on application by the Treasurer of the Company shall be certified by the Trustee and delivered to the Treasurer of the Company, or upon his written order, without awaiting the recording of this indenture, when the Trustee shall have received the documents specified in section 19 of article I hereof. The bonds so issued shall consist of coupon bonds of the denomination of one thousand dollars (\$1,000), coupon bonds of the denomination of five hundred dollars (\$500), coupon bonds of the denomination of one hundred dollars (\$100), and registered bonds without coupons, of the denomination of one thousand dollars (\$1,000) or more, issued in lieu of any such coupon bonds, all in such proportions as the Company shall determine. All such bonds shall be coupon bonds of the denomination of one thousand dollars (\$1,000) each numbered from 1 to 5671, both inclusive, or registered bonds without coupons issued in lieu of such coupon bonds and bearing the issue numbers thereof endorsed thereon, or coupon bonds of lesser denomination against which such coupon bonds of the denomination of one thousand dollars (\$1,000) each are reserved.

Initial issue  
of bonds ;  
\$5,671,000 of  
Series of 6s  
due 1950.

**Section 2.** Additional bonds of any series, not to exceed in principal amount whichever is the less of the following:

Issue of bonds  
for expendi-  
tures before  
March, 1920.

(a) one million six hundred fifty thousand dollars (\$1,650,000),

or

(b) the amount permitted by orders of the Public Service Commission in the Second District of the State of New York in respect of property acquired or expenditures made by the Company after December 31, 1915, or by Adirondack Electric Power Corporation after December 31, 1917, and in either case on or before March 1, 1920,

may, from time to time, be executed by the Company and delivered to the Trustee, and upon application by the Treasurer of the Company shall be certified by the Trustee and delivered from time to time to the Treasurer of the Company, or upon his written order, without awaiting the recording of this indenture, when the Trustee shall have received the documents specified in section 19 of article I hereof.

## ARTICLE III.

### ISSUE OF BONDS FOR FIRST LIEN PROPERTIES.

Issue of  
additional  
bonds for  
80% (or 75%)  
of first-lien  
additional  
property.

**Section 1.** Additional bonds may be issued pursuant to the provisions of this article to the extent at their face value of eighty per centum (80%), until the total outstanding principal amount of bonds issued and applied for hereunder and of divisional lien bonds shall equal fifty million dollars (\$50,000,000), and thereafter to the extent at their face value of seventy-five per centum (75%), of the amount of additional property of the character described in this article subjected to the lien of this mortgage as a first lien, when the net earnings of the Company shall meet the requirements of this article and when proofs and authorizations conforming to the provisions of this article and evidencing compliance therewith shall have been submitted to the Trustee, all as in this article more fully provided.

**Section 2.** (1) Additional property, for all purposes of this indenture, shall mean physical property of a permanent nature acquired or constructed by the Company after March 1, 1920, and permanent physical additions, improvements or extensions, not including therein repairs, to, of or upon the property of the Company, but only to the extent that the gross amount thereof exceeds the original cost of any property renewed, replaced, permanently discontinued, or abandoned by the Company after March 1, 1920.

Additional property

(a) need not consist of a specific or completed development, plant, extension, addition, betterment, or improvement, but may include additional construction work or partially completed construction work, or any such work as conforms to the provisions hereof and, whether capable of specific description and identification or not, is ordinarily carried in plant or plant addition accounts by a company carrying on a business similar to that of the Company;

(b) may include renewals, replacements and substitutions; provided, that no expenditures for maintenance or repairs or other expenses which, in the ordinary practice of companies carrying on a business similar to that carried on by the Company, are charged to operating expenses, shall be deemed to be for additional property;

(c) may include acquired plants or systems;

(d) shall include no stocks, bonds, or other securities;

(e) shall include no leasehold interests.

If the Company shall acquire the property of the Adirondack Electric Power Corporation, or the Kanes Falls Electric Company, no part of such property owned by said Adirondack Electric Power Corporation or by said Kanes Falls Electric Company, as the case may be, on March 1, 1920, shall be deemed to be additional property. The remainder, if any, of such property may be considered for

all purposes hereof to have been acquired by the Company with the same effect as if the Company had on March 1, 1920, acquired the above-mentioned properties as then existing and all subsequent additions thereto, renewals thereof and other changes therein had subsequently been made by the Company.

Character  
of titles,  
rights and  
franchises.

(2) Additional property other than that to be included in the category described in subdivision (c) of subsection (5) of this section shall not include

(a) real estate unless owned in fee simple or rights in real estate unless owned in perpetuity,

(b) power plants or developments or sub-stations or other buildings unless the Company has the necessary titles or other rights for the maintenance and use thereof in perpetuity,

(c) transmission lines unless the same are built under the present franchises of the Company or of the Adirondack Electric Power Corporation or unless the Company shall have acquired for the maintenance and use thereof valid rights or franchises expiring not less than five years after the latest due date of any bonds outstanding or applied for. No portion which conforms to the requirements of this subdivision shall be excluded because any other portion of the same transmission line fails to conform thereto. In the case of joint lines rights of the character herein prescribed held jointly with others shall be considered a compliance with the provisions hereof. Transmission lines are (i) lines designed to be available for operation at a voltage in excess of 25,000 and (ii) lines which though of less voltage connect a substation with a generating station or another substation and do not supply current to any customer at any intermediate point.

In any case where a right in perpetuity is required in this subsection, such requirement shall be deemed to be satisfied by a grant which provides for compensation to the Company in case of its termination, either by lapse

of time or act of the grantor, provided that a person acceptable to the Trustee, believed by the Trustee to be competent and certified by an officer of the Company to be disinterested, shall approve the form thereof as reasonably adequate for the protection of the interests of the bondholders, and shall approve the acceptance of the same in lieu of the acquisition of perpetual rights as reasonably necessary under the circumstances.

(3) Additional property which shall have been used as the basis for certification of bonds under this or any other article, or the basis for release of any property or withdrawal of moneys from the Trustee under any provisions of this indenture, or the basis for withdrawal of moneys from the trustee or mortgagee under any divisional lien shall not again be used for any of such purposes.

Additional property to be used but once.

(4) There shall be excluded from the determination at any time of the amount of additional property an amount thereof which shall equal the excess up to that time of the percentage of the gross operating revenues of the Company (not including outside earnings) fixed under section 5 of this article over the sum of (a) the actual expenditures of the Company up to that time for maintenance and repairs, including the amounts representing the original cost of property renewed, replaced, permanently discontinued or abandoned by the Company and deducted in determining the amount of additional property, as more fully provided in subdivision (c) of subsection (3) of section 6 of this article, and (b) the amount which the Company shall have deposited or shall then deposit with the Trustee for the purposes of this sub-section. Such amounts so deposited shall be subject to withdrawal only (i) in amounts equal to expenditures made by the Company for maintenance and repairs (including the amounts representing the original cost of property renewed, replaced,

Only excess of additional property over maintenance requirements to be counted.

permanently discontinued or abandoned by the Company and deducted in determining the amount of additional property), in excess of the percentage fixed pursuant to section 5 of this article for the year or years when made, or (ii) in amounts equal to the amount of additional property acquired by the Company, and otherwise on the same terms as money deposited against the issue of bonds, and in such case upon such evidence as is required in sub-section (2) of section 3 of article VI hereof. Additional property as long as excluded under this sub-section shall be considered for all purposes hereof to have been used as the basis for the issue of bonds hereunder.

In no case shall expenditures by the Company for maintenance, repairs, renewals and replacements in respect of properties leased to the Company, or in respect of any properties which are not a part of the mortgaged property, be included as expenditures made by the Company for any purpose of this sub-section.

Limitations  
on additional  
property in  
certain  
categories.

(5) The total outstanding principal amounts of bonds issued, whether originally or through refunding, plus the amount of money withdrawn from the Trustee under article VI hereof, on account of additional property in the following categories shall at no time exceed the limits stated in the following paragraphs, viz.:

(a) Not for  
primary or  
principal  
purposes of  
Company's  
business.

(a) On account of additional property which is not for the primary or principal purposes of the Company's business or reasonably connected therewith or incidental or appurtenant thereto,—not more than one million six hundred thousand dollars (\$1,600,000) or fifteen per centum (15%) of the aggregate principal amount of all bonds at the time outstanding hereunder, whichever is greater.

By primary or principal purposes of the Company's business is meant public utility light, heat and power businesses of whatever character, including, but not being limited to, the electric light and power, artificial gas, heating, steam power and water power businesses,

including transmission and distribution of gas and electricity.

(b) On account of additional property which is for the primary or principal purposes of the Company's business, but which is not at the time physically connected for some one or more of such purposes in the actual conduct of the Company's business, by transmission or service line or lines—or, in case of storage basin or basins or water supply, by natural or artificial water course—or by other means, with the properties of the Company or of the Adirondack Electric Power Corporation as now existing, or with extensions connected therewith—not more than one million six hundred thousand dollars (\$1,600,000) or fifteen per centum (15%) of the aggregate principal amount of all bonds outstanding hereunder, whichever is greater; provided, that a gas property shall be deemed to be so connected if it is acquired in connection with the purchase of an electric light and power property owned and operated by the same concern in the same city or town, if such electric light and power property is itself so connected.

(b) Disconnected properties.

(c) On account of additional property which is for the primary or principal purposes of the Company's business, but which consists of acquired plants or systems, any necessary or substantially important franchise, leasehold or other right for the use of which expires prior to a date five years later than the latest due date of any bonds then outstanding or applied for, and on account of additional property which does not comply with the requirements of sub-section (2) of this section, a total of not more than one million six hundred thousand dollars (\$1,600,000) or fifteen per centum (15%) of the aggregate principal amount of all bonds at the time outstanding hereunder, whichever is greater.

(c) Properties having short franchises.

(d) On account of additional property consisting of any acquired gas plants or systems outside the counties of Albany, Fulton, Herkimer, Montgomery, Oneida, Rensselaer, Saratoga, Schenectady, Warren and Washington in the State of New York, or consisting of additions, improvements or extensions to or upon gas properties wherever situated,—not more than one million five hundred thousand dollars

(d) Gas properties.

(\$1,500,000) or ten per centum (10%) of the aggregate principal amount of all bonds at the time outstanding hereunder, whichever is greater.

Additional property shall be included and counted in as many of the foregoing categories as are applicable thereto.

The fact that because of the provisions of this subsection bonds may not be issued or money withdrawn on account of additional property at the time of the construction or acquisition thereof, shall not prevent the issue of bonds or withdrawal of money on account of such additional property at any subsequent time.

Amount of  
additional  
property  
defined.

(6) The amount of any additional property for the purposes of these presents shall be deemed to be the fair value thereof to the Company or the cost thereof to the Company, whichever is less (after deduction in the manner provided in subdivision (c) of subsection (3) of section 6 of this article of the original cost of any property which has been renewed, replaced, permanently discontinued or abandoned by the Company); and in determining the fair value to the Company of any additional property such fair value shall be ascertained as of the time of the acquisition thereof by the Company.

Indeterminate  
franchises  
deemed  
perpetual.

(7) For all the purposes of these presents a franchise granted pursuant to appropriate legislation, allowing the Company to continue in the enjoyment and exercise thereof either permanently or until termination through the lawful action of a public commission or municipality or other lawful authority, subject to compliance with reasonable conditions therein contained or to be prescribed by the legislature or a regulatory body exercising powers delegated thereby or by other lawful authority, shall be deemed a perpetual franchise.

Cost of  
franchises.

**Section 3.** (1) The cost to the Company, but not the fair value to the Company, of any additional property

consisting of an acquired plant or system may be deemed to include the cost to the Company of any franchises and other rights acquired simultaneously therewith for which no separate or distinct consideration shall have been paid or apportioned. In the determination of the fair value to the Company of any such property consisting of an acquired plant or system, consideration shall be given exclusively to the value of the physical property acquired.

(2) The cost to the Company of any property part of which constitutes additional property and part does not, and all of which is acquired for a consideration not divided between the two such parts thereof, in all other cases may be allocated by the Company and such allocation may be accepted by the Trustee upon the furnishing to the Trustee of evidence of the character of the evidence herein required concerning the fair value of additional property.

**Section 4.** Additional property shall include only property subjected to the lien hereof as a first lien (except liens for taxes not yet due) or as a lien subject only to divisional liens as hereinafter defined; provided, however, that no bonds shall be issued under this article in respect of additional property subject to any divisional lien.

**Section 5.** (1) Bonds may not be issued under this article unless the net earnings of the Company, calculated as provided in this section, for twelve consecutive calendar months within the fifteen calendar months immediately preceding the application for certification and delivery of such bonds, shall be in the aggregate not less than whichever is the greater of the following:

(a) one and three-quarters (1 $\frac{3}{4}$ ) times the annual interest charges upon all bonds already outstanding under this indenture and those applied for and upon

all outstanding divisional lien bonds not deposited with the Trustee, or

(b) ten per centum (10%) of the aggregate principal amount of all such bonds, including divisional lien bonds as aforesaid.

Net earnings  
defined.

(2) Net earnings shall mean net income from all sources; provided, however, that outside net earnings shall not be included to an amount exceeding fifteen per centum (15%) of the total net earnings. Outside net earnings means all outside earnings less expenses properly chargeable thereto. Outside earnings means all income from securities and from properties leased to the Company, (whether or not the same or the Company's interests therein are a part of the mortgaged property), plus all other income, if any, not arising from the mortgaged property; and rentals paid by the Company on such leased properties and the Company's operating expenses in connection therewith shall be deducted in determining outside net earnings. Expenses to be deducted in determining net earnings (other than outside net earnings) shall include expenses for repairs and maintenance, including the entire allowance for renewals and replacements herein-after specified, insurance, taxes and all operating and other expenses and rentals not properly chargeable against outside earnings; and if expenses properly chargeable against outside earnings exceed outside earnings, the excess shall be deducted as an additional expense. If during any such period of twelve consecutive calendar months, the income received by the Company as interest, dividends or otherwise on securities of any concern shall exceed twenty-five thousand dollars (\$25,000), only so much of such income shall be included for the purposes of this subsection as shall not exceed the sums earned and available for such payments by such concern in such period.

12½% allow-  
ance for

(3) The amount of the allowance for renewals and re-

placements to be made in determining net earnings shall, during the three years beginning with the first day of the period of twelve consecutive calendar months referred to in the first application for certification and delivery of bonds hereunder, but not later than March 1, 1920, and thereafter until redetermined as in this sub-section provided, be taken for the period covered by such certificate at such amount as, added to actual expenditures for maintenance and repairs (including the amounts representing the original cost of property renewed, replaced, permanently discontinued or abandoned by the Company and deducted in determining the amount of additional property, as more fully provided in sub-division (c) of sub-section (3) of section 6 of this article) shall equal twelve and one-half per centum (12½%) of the gross operating revenues of the Company (not including therein outside earnings).

renewals and  
replacements.

In no case shall expenditures by the Company for maintenance, repairs, renewals and replacements in respect of properties leased to the Company, or in respect of any properties which are not a part of the mortgaged property, be included as expenditures made by the Company for any purpose of this sub-section.

From time to time after the said three years, but not within three years from the last previous determination, such percentage of gross operating revenues may be redetermined, effective as of the first day of the month following such re-determination, by a board of arbitration on application of the Company, notice having been given by the Company to the Trustee, or on the request of the Trustee delivered to the Company or on the request of the holders of at least ten per centum (10%) of all bonds secured hereby then outstanding, notice in such case having been given to the Company and to the Trustee. In case of such application by the Company or

Redetermina-  
tion of allow-  
ance for  
renewals and  
replacements.

the Trustee it shall not be necessary or expected that any notice thereof shall be given to the bondholders by either the Company or the Trustee, except as to any bondholder who has filed with the Trustee a request to be notified. Within forty days after such application or request, the arbitrators shall be chosen and the arbitration shall proceed in the manner provided in article XIV hereof.

**Accounts.**

(4) Nothing in this section shall be construed to prescribe or affect in any manner whatsoever the methods and practices of the Company in keeping its books and accounts as may be prescribed by any government authority, or shall impair by any implication the force of the covenant contained in this indenture to maintain the property of the Company.

**Earnings of  
acquired  
plants or  
systems.**

(5) In case the Company, upon or within fifteen months prior to the application for the certification and delivery of such bonds, has acquired an acquired plant or system, the operations, if any, of such plant or system may be deemed part of the operations of the Company for the purpose of determining net earnings within the meaning of this section.

**Certification  
and delivery  
of bonds  
under this  
article ;  
Trustee to  
receive  
additional  
documents.**

**Section 6.** (1) Bonds executed by the Company and delivered to the Trustee shall, upon application by the Treasurer of the Company, be certified by the Trustee and delivered from time to time to the Treasurer of the Company, or upon his written order, upon receipt by the Trustee of the documents specified in section 19 of article I hereof and the additional documents specified in this section and upon receipt by the Trustee of such other proofs, if any, as shall be required by the Trustee in respect of any pertinent facts.

**Resolution of  
Directors.**

(2) There shall be delivered to the Trustee a certified copy of a resolution or vote of the Board of Directors of

the Company stating the actual cost to the Company of the additional property included in the certificate next hereafter mentioned.

(3) There shall be delivered to the Trustee a certificate or certificates signed and verified by the President or a Vice-President of the Company and by an engineer or other person believed by the Trustee to be competent selected by the Company and acceptable to the Trustee (who may be an employee of the Company, except for the purpose of certifying to the fair value to the Company of any additional property consisting of an acquired plant or system, for which purpose he shall be a person believed by the Trustee to be competent and certified by an officer of the Company to be disinterested and not in the regular employ of the Company) and who in any case shall certify that he is familiar with the matters to be certified to by him, stating in substance as follows:

Certificate  
of President  
or Vice-Presi-  
dent and  
engineer or  
other compe-  
tent person.

(a) That in addition to the property possessed by the Company on March 1, 1920, the Company has constructed or acquired within five years before the date of the application referred to in subsection (1) of this section, certain additional property, to be described in the certificate with reasonable detail, and with approximate dates of construction or acquisition, and that such property is desirable in the judicious conduct of the business of the Company; showing such property to be of the character specified in sub-section (1) of section 2 of this article, and when taken with the opinion of counsel required by sub-section (5) of this section showing also that such property conforms to the limitations expressed in sub-section (2) of section 2 of this article, except such portion thereof as is specified in sub-division (k) of this sub-section; provided that in lieu of stating that any property has been acquired or constructed within five years before said application, the certificate may state that bonds have first become issuable hereunder in respect thereof within two years before said application.

Acquisition  
of additional  
property.

Cost and  
fair value.

Original cost  
of property  
renewed, re-  
placed, per-  
manently dis-  
continued or  
abandoned.

(b) That the Company has actually expended for such additional property the amount stated in the above mentioned resolution of the Board of Directors as the actual cost thereof to the Company, and that in the signers' opinion the amount so expended is not in excess of the fair value thereof to the Company determined as above provided, or in case such actual cost is in excess of such fair value, then such certificate shall state in the opinion of the signers thereof, such fair value to the Company.

(c) The original cost of any property which has been renewed, replaced, permanently discontinued or abandoned by the Company between the initial and terminal dates therein specified, and the amount of additional property shown by such certificate, determined by deducting such original cost from the fair value or cost to the Company, whichever is less, of such additional property. The initial date so specified shall be the terminal date of the last preceding certificate filed with the Trustee in respect of additional property under this sub-division, whether in connection with the issue of bonds, release of property, withdrawal of money or other connection. (If the amount of additional property shown in said last preceding certificate was a minus quantity, such quantity shall be deducted in the determination of the amount shown by such certificate.) The terminal date so specified shall not be earlier than the last date of construction or acquisition of any additional property included in such certificate. Only the amount ascertained after making the deductions in this sub-division provided shall be deemed the amount of the additional property for any purpose hereof. Whenever for any purpose hereof the amount of any particular item of additional property is to be ascertained so that the allocation of the deductions provided for in this sub-division becomes necessary, the original cost of property renewed or replaced shall be allocated to the item of additional property renewing or replacing the same and in all other cases the allocation shall be made in any manner determined by the Company, provided only that no deduction shall be allocated to any item of additional property falling

in any of the categories provided in sub-section (5) of section 2 of this article unless arising in respect of property falling in such category, or to any item of additional property subject to any divisional lien which is not refundable, unless arising in respect of property subject to such lien.

(d) That such additional property does not include any expenditures for maintenance or repairs or other expenses, which, in the ordinary practice of companies carrying on a business similar to that carried on by the Company, are charged to operating expenses.

(e) That there are no liens of material men or contractors upon or against such additional property or any part thereof, to the date of such certificate, excepting those if any for the payment of which provision has been made.

(f) That the amount of the liens or encumbrances, if any, upon such additional property, exclusive of liens securing taxes for the then current year, known to the signers or shown in the opinion of counsel hereinafter referred to, does not exceed an amount stated.

(g) That no part of such additional property specified in such certificate has been theretofore made the basis of any certification of bonds hereunder, or the basis for a release of property or the withdrawal of moneys from the Trustee under any provisions of this indenture, or the basis for withdrawal of moneys from the trustee or mortgagee under any divisional lien.

(h) Whether any portion of such additional property consists of an acquired plant or system, and, if so, the certificate shall state the fair value to the Company of such portion within the limits hereinbefore prescribed.

(i) Whether any portion of such additional property consists of property which is not for the primary or principal purposes of the Company's business or reasonably connected therewith or incidental or appurtenant thereto, and if so, the certificate shall describe such portion with reasonable detail and shall state the fair value and actual cost to the Company of such of said properties as fall

Operating expenses excluded.

Liens.

Previous use hereunder.

Acquired plants or systems.

Property not for primary or principal purposes of Company's business.

within the foregoing description and of such as do not.

Disconnected  
property.

(j) Whether any portion of such additional property consists of property which is for the primary or principal purposes of the Company's business, but which is not physically connected, for some one of such purposes, by transmission or service line or lines—or, in case of storage basin or basins or water supply, by natural or artificial water course,—or by other means, with the properties of the Company or of the Adirondack Electric Power Corporation as now existing, or with extensions connected therewith, and if so, the certificate shall describe such portion with reasonable detail and shall state the fair value and actual cost to the Company of such portion and of the remainder of such additional property.

Short  
franchises.

(k) Whether any portion of such additional property is for the primary or principal purposes of the Company's business and consists (i) of an acquired plant or system, any necessary or substantially important franchise, leasehold or other right for the use of which expires prior to a date five years later than the latest due date of any bonds then outstanding or applied for, or (ii) of property which does not comply with the requirements of subsection (2) of section 2 of this article, and if so the certificate shall describe such portion with reasonable detail and shall state the fair value and actual cost to the Company of such portion and of the remainder of such property.

Compliance  
with section  
2 (2).

(l) Whether any portion of such additional property consists of any acquired gas plants or systems, outside the counties of Albany, Fulton, Herkimer, Montgomery, Oneida, Rensselaer, Saratoga, Schenectady, Warren, and Washington, in the State of New York, or on account of permanent additions, improvements or extensions to or upon gas properties wherever situated, and, if so, the certificate shall state the fair value and actual cost to the company of such portion and of the remainder of such property.

Gas  
properties.

(m) Whether any, and if so what, event of default has occurred to the knowledge of the signers.

Events of  
default.  
Compliance

(n) Whether all the pertinent requirements, con-

ditions and limitations imposed by this article III upon the issue of bonds for additional property are complied with by the application and the documents presented in connection therewith.

with this article.

(4) There shall also be delivered to the Trustee a certificate signed and verified by the executive officer of the Company having supervision over its books and accounts, stating:

Net earnings certificate by executive officer of company.

(a) The net earnings of the Company, calculated as provided in section 5 of this article, for a period of twelve consecutive calendar months within the fifteen calendar months immediately preceding the application for certification and delivery of bonds, showing in reasonable detail the calculation thereof (among other things giving the respective amounts charged to the different distributive groups of operating expenses) and stating, in like detail, such facts as shall be necessary to evidence compliance with the provisions of the said section.

Net earnings.

(b) Whether the earnings of any acquired plant or system, forming part of the additional property, are included, and if so what portion of the gross earnings, expenses and net earnings certified were those of such plant or system.

Acquired plants or systems.

(c) That the aggregate amounts expended by the Company from March 1, 1920, or from the date of the last similar certificate, to the termination of the said period of twelve months, for maintenance and repairs, including the amounts representing the original cost of property renewed, replaced, permanently discontinued or abandoned by the Company, and deducted in determining the amount of additional property as more fully provided in subdivision (c) of sub-section (3) of this section, plus any sums which shall then be deposited with the Trustee subject to withdrawal only for purposes specified in sub-section (4) of section 2 of this article, are sufficient, or are insufficient to a named extent, to equal the percentage of gross operating revenues (not including outside earnings) fixed for said period pursuant to section 5 of this article.

Maintenance requirement.

In no case shall expenditures by the Company for maintenance, repairs, renewals and replacements in respect of properties leased to the Company, or in respect of any properties which are not a part of the mortgaged property, be included as expenditures made by the Company for any purpose of this sub-section.

Opinion of  
counsel.

(5) The opinion of counsel (who may be of counsel to the Company), selected by the Company and acceptable to the Trustee, setting forth in his opinion either that the Company has already acquired such additional property, free and clear of any liens or encumbrances, except such as are stated, and which of those stated (except taxes for the then current year) are prior to the lien of this indenture, and that such property has been subjected (by means of a supplemental indenture, if in the opinion of such counsel such supplemental indenture is necessary) to the lien of this indenture, as a first lien, or as a lien subject only to certain prior liens which shall be clearly described, or that upon execution and delivery of such deeds or instruments as may be designated in said opinion, and approved by such counsel, which are to be delivered prior to or concurrently with the delivery of the bonds to be certified against the same, the Company will have acquired such additional property and the same will be so subjected to the lien of this indenture; and setting forth that the Company is legally authorized to own and operate such property with respect to which the certification of bonds is so requested and all such other facts and matters of opinion as shall show compliance in all respects with the provisions of subsection (2) of section 2 of this article, and, if the additional property includes an acquired plant or system to the profitable operation of which any franchise, leasehold or other right is substantially important, that such franchise, leasehold or other right extends to or beyond a date five years later than the latest due date of

any bonds then outstanding hereunder or applied for, or if not, the date of the expiration thereof.

(6) The certificates and opinion required by sub-sections (3), (4) and (5) of this section shall each refer to this indenture and recite that all statements made therein are true with reference to all pertinent definitions and uses of words and phrases in this article.

Statements  
to be made  
with reference  
to this article.

(7) The resolution, certificates and opinion referred to in subsections (2), (3), (4) and (5) of this section shall, except as in this subsection provided, be filed with the Trustee not earlier than ninety (90) days before the application referred to in subsection (1) of this section or, as the case may be, the application or request of the Company that the additional property covered thereby be used as the basis of a release of property or the withdrawal of moneys from the Trustee under any provisions of this indenture. In the case, however, of additional property consisting of an acquired plant or system, such resolution, certificates and opinion, other than the certificate provided for in said subsection (4), shall be filed with the Trustee not later than twelve (12) months after the date of the acquisition by the Company of such property.

Documents to  
be filed  
within 90  
days before  
application.

(8) Notwithstanding the provisions of the preceding or any other sub-section of this section the Company shall always be at liberty to file with the Trustee resolutions, certificates and opinions additional to those originally filed in respect of any additional property, for the purpose of evidencing subsequent changes in respect thereof or in respect of the availability thereof as a basis for the issue of bonds, release of property, or withdrawal of moneys from the Trustee hereunder.

Additional  
resolutions,  
etc., from  
time to time.

## ARTICLE IV.

### ISSUE OF BONDS FOR DIVISIONAL LIEN PROPERTY.

Issue of  
bonds for  
divisional  
lien property.

**Section 1.** Additional bonds may be issued pursuant to the provisions of this article for additional property becoming subject to the lien of this indenture though not as a first lien provided that

- (a) the provision required in this article is made for the discharge of the prior liens (herein referred to as divisional liens) on such additional property, and
- (b) the obligations secured by such divisional liens (herein referred to as divisional lien bonds) do not exceed twenty-five per centum (25%) of the amount of such additional properties, and
- (c) the principal amount of all divisional lien bonds does not exceed twenty-five per centum (25%) of the aggregate principal amount of the bonds at the time outstanding hereunder,

all as more fully provided in this article and subject to the exceptions expressed in this article.

Article III  
to be complied  
with.

Value and  
cost of  
divisional  
lien property.

**Section 2.** All the provisions and requirements of article III, except the requirement that additional property be subjected to the lien of this indenture as a first lien, shall apply to the issue of bonds under this article. If the Company shall acquire additional property subject to any liens (which thereupon become divisional liens under the provisions hereof), the value thereof to the Company shall be determined for the purposes of this article as if such property were free of such liens, and the principal amount of obligations secured thereby (and thus becoming divisional lien bonds) shall be included as a part of the cost to the Company of such additional property. If the

Company shall acquire additional property which becomes subject to some existing divisional lien by reason of its attachment to real property subject thereto or otherwise, the value and cost thereof to the Company shall be determined for the purposes of this article as if such property did not become subject to such divisional lien.

**Section 3.** (1) Bonds executed by the Company and delivered to the Trustee shall, upon application by the Treasurer of the Company, be certified by the Trustee and delivered from time to time to the Treasurer of the Company, or upon his written order, if applied for in respect of any additional property, notwithstanding the existence of any lien on such additional property at the time of the acquisition thereof, which thereupon becomes a divisional lien, or, as the case may be, notwithstanding that the same upon the construction or acquisition thereof by the Company shall become subject to some existing divisional lien by reason of its attachment to real property subject thereto, or otherwise,—provided, however, that the other requirements of section 19 of article I, of article III and of this article with respect to the issue and certification of bonds have been complied with by the Company, and provided further that the Company shall then or theretofore have deposited with the Trustee an amount in money equal to the principal amount of the outstanding divisional lien bonds secured by said divisional lien and not pledged with the Trustee and any interest matured and unpaid. Such amount shall be applied by the Trustee to the payment of such divisional lien bonds and interest when and as the Company so directs, and pending such application shall be held by the Trustee as a part of the mortgaged property.

(2) The Trustee shall at the request of the Company in lieu of requiring the deposit by the Company of all or any part of the money in sub-section (1) of this section re-

Certification  
and delivery  
of bonds  
under this  
article.

Money to  
be deposited  
with Trustee,  
or

bonds  
withheld.

quired to be deposited, withhold for the refunding of such divisional lien bonds an equivalent amount, at their face value, of the bonds which have been applied for and would forthwith be issuable consistently with all provisions of this article but for such requirement for deposit, certifying and delivering only the balance, if any, of the bonds so applied for; provided, however, that the provisions of section 19 of article I hereof need not be complied with in respect of any bonds so withheld until the issue thereof. Upon any subsequent application for the issue of bonds under said subsection, bonds withheld under this subsection shall, for the purposes of the said subsection, be considered equivalent to the deposit with the Trustee of money equal to their principal amount.

Refundable  
divisional  
liens.

(3) If money shall have been deposited or bonds withheld under the provisions of this section to an aggregate amount equal to the aggregate principal amount of the outstanding divisional lien bonds secured by any divisional lien, such divisional lien shall be included in the phrase refundable divisional lien wherever herein used and the divisional lien bonds secured thereby shall be included in the phrase refundable divisional lien bonds wherever herein used.

Restriction  
on amount  
of divisional  
lien bonds on  
particular  
property.

**Section 4.** (1) If any additional property in respect of which the issue of any bonds is applied for under section 3 of this article is subject to a principal amount of divisional lien bonds which, after deducting therefrom all money deposited by the Company with the Trustee under said section in respect of said divisional lien bonds, is greater than twenty-five percentum (25%) of the amount of such additional property, then and in that case no bonds shall, except as provided in subsection (2) of this section, be certified hereunder (and accordingly none shall be available for withholding under subsection (2) of section 3

of this article) in respect of such additional property until the amount of such divisional lien bonds less the amount of the money so deposited with the Trustee and remaining on deposit at the time, is no longer greater than twenty-five per centum (25%) of the sum of (a) the amount of such additional property at the time of the acquisition thereof by the Company and (b) the amount of any further additional property acquired by the Company and becoming subject to the same divisional lien; and then and from time to time thereafter bonds may be certified and delivered (and accordingly be available for withholding) under the said section 3 of this article.

(2) In case, however, such additional property consists of any individual acquired plant or system in any of the counties of Albany, Fulton, Herkimer, Montgomery, Oneida, Rensselaer, Saratoga, Schenectady, Warren and Washington in the State of New York, or of additions, improvements or extensions thereto becoming subject to any divisional lien thereon, bonds may be certified and delivered in respect thereof or be available for withholding to refund divisional lien bonds thereon under the said section 3, notwithstanding non-compliance with subsection (1) of this section if, but only if, the outstanding amount of the divisional lien bonds on such individual property not deposited with the Trustee, minus the amount of money deposited by the Company with the Trustee under section 3 of this article in respect of said divisional lien bonds, does not at the time exceed two million five hundred thousand dollars (\$2,500,000).

**Section 5.** No bonds shall at any time be issued under section 3 of this article (and accordingly none shall be available for withholding under subsection (2) of section 3 of this article) if the aggregate outstanding principal amount of divisional lien bonds not deposited with the

Restriction  
on aggregate  
amount of  
divisional  
lien bonds.

Trustee hereunder, minus the total amount of money deposited with and then held by the Trustee under section 3 of this article in respect of any thereof, after such issue would exceed twenty-five per centum (25%) of the principal amount of all bonds outstanding hereunder, or ten million dollars (\$10,000,000), whichever is greater. The provisions of this section shall not be construed to permit the acquisition of any property subject to such an amount of divisional lien bonds as to create such an excess.

Adirondack  
Electric  
Power Cor-  
poration  
and Kanes  
Falls Electric  
Company.  
bonds.

**Section 6.** If the Company shall acquire the property of the Adirondack Electric Power Corporation or of the Kanes Falls Electric Company, the following mortgages or deeds of trust, namely:

(a) Adirondack Electric Power Corpora- tion to New England Trust Company, dated January 1, 1912,	\$5,000,000
or	
(b) J. C. McIntyre to Patrick Courtney, dated June 15, 1888, assigned to Flora L. Patterson	\$600
Eugene L. Ashley to Caroline Mason, dated September 19, 1894, assigned to Virginia M. Gow	\$1,000
Eugene L. Ashley to Myra A. Butler, dated September 5, 1895	\$175
Kanes Falls Pulp Company to Edgar T. Brackett, dated November 29, 1899, assigned to Josephine Cook	\$25,000
Kanes Falls Electric Company to Co- lumbia Trust Company, dated June 27, 1905	\$151,225

as the case may be, shall be refundable divisional liens, and the principal amounts of bonds and obligations now outstanding thereunder respectively, as indicated in the foregoing table, shall be refundable divisional lien bonds; and the provisions of sections 4 and 5 of this article,

and the requirement of section 3 of this article for a deposit of money or withholding of bonds, shall not apply thereto.

**Section 7.** Any of the money deposited or bonds withheld under section 3 of this article against any divisional lien bonds shall, in the case of money, be paid by the Trustee to the Company in accordance with the provisions of sub-section (3) of section 3 of article VI hereof, or, in the case of bonds, shall be certified and delivered by the Trustee to the Company in accordance with the provisions for refunding contained in article V hereof, and upon the pledge hereunder, or, if the pledge hereunder is not possible and the Company shall furnish the Trustee evidence of that fact satisfactory to the Trustee, the cancellation, of a like principal amount of such divisional lien bonds, provided that the requirements both of section 4 and of section 5 of this article shall have been complied with at or after the time of the acquisition by the Company of the additional property upon which such divisional lien bonds are secured by lien prior to that of this indenture; and provided, further, that the balance of such money and bonds (the latter taken at their principal amount) shall not be less than the principal amount of such divisional lien bonds remaining outstanding and not pledged hereunder.

Disposition of  
money de-  
posited and  
bonds  
withheld.

**Section 8.** Any divisional lien bonds received by the Trustee uncancelled shall be kept alive and shall continue to be held by the Trustee subject to the lien of this indenture. Neither the principal nor the interest of any such bonds shall be collected or shall be required to be paid, unless and until proceedings shall have been instituted to enforce the divisional lien securing such bonds; but then and thereupon all such bonds then so deposited, uncancelled, and all interest thereon maturing on or subsequent to the date upon which the default was made for which

Divisional  
lien bonds  
received by  
Trustee.

such proceedings shall have been instituted, shall be entitled to payment, and payment thereof shall be enforced, while such default continues, ratably and equally with all of the other bonds of said issue not deposited with the Trustee. The proceeds of such payments shall be held by the Trustee as additional security under this indenture and upon the trusts herein declared. All interest maturing upon any such deposited bonds prior to any such default shall be deemed to have been paid and satisfied, and, upon request of the Company, the coupons representing such last-mentioned interest shall be cancelled by the Trustee and delivered to the Company.

Discharge of  
divisional  
liens.

**Section 9.** When all the divisional lien bonds secured by any one divisional lien and not pledged with the Trustee shall have been paid or discharged, the pledged bonds shall not be presented for payment, but the Company shall, as soon as possible (if there are no divisional lien bonds outstanding secured by a junior lien on the same property), cause such divisional lien to be discharged of record, and the Trustee, if furnished with an opinion of counsel (who may be of counsel to the Company) selected by the Company and acceptable to the Trustee, that there are no divisional lien bonds outstanding secured by a junior lien on the same property, shall deliver to the Company for such purpose all of such divisional lien bonds held by it and may take any action which it deems appropriate to procure the discharge of record of such lien. The Trustee shall be furnished with evidence of such discharge in the forms of a certificate of the President or a Vice-President of the Company and an opinion of counsel who may be counsel of the Company as to the sufficiency of such discharge, and thereupon any bonds withheld pursuant to this article in respect of such divisional lien bonds shall be certified and delivered to the Company and any

money deposited in respect thereof shall be repaid to the Company.

**Section 10.** The cancellation of divisional lien bonds pursuant to section 7 of this article may be proved by any evidence satisfactory to the Trustee, which may consist of a certificate of the trustee or mortgagee under the divisional lien securing the same.

Proof of amount and cancellation of divisional lien bonds.

The amount of divisional lien bonds on any property may be proved by an opinion of counsel (who may be of counsel to the Company) selected by the Company and acceptable to the Trustee.

## ARTICLE V.

### ISSUE OF BONDS FOR REFUNDING PURPOSES.

**Section 1.** Additional bonds may be issued pursuant to the provisions of this article for the purpose of refunding a like principal amount of other bonds secured hereby or, if and when authorized by article IV hereof, of refundable divisional lien bonds, all as more fully provided in this article.

Issue of bonds for refunding purposes.

**Section 2.** Bonds may be issued pursuant to the provisions of this article for the purpose of refunding, by payment, purchase, exchange, redemption or otherwise retiring, a like principal amount of

What bonds are refundable.

- (a) bonds then outstanding hereunder, or
- (b) divisional lien bonds referred to in section 6 of article IV hereof, or
- (c) other refundable divisional lien bonds (the bonds to be issued in this case shall be the bonds withheld under article IV hereof to refund such refundable divisional lien bonds),

provided that such payment, purchase, exchange, redemption or other retirement has not been used as the basis for the issue of any bonds hereunder or as the basis for the payment of any moneys to the Company by the Trustee or by the trustee or mortgagee under any divisional lien.

Documents  
Trustee is to  
receive before  
certifying  
bonds for  
refunding  
purposes.

**Section 3.** (1) Bonds executed by the Company and delivered to the Trustee shall, upon application by the Treasurer of the Company, be certified by the Trustee and delivered from time to time to the Treasurer of the Company, or upon his written order, upon receipt by the Trustee of the documents specified in section 19 of article I hereof and of the additional documents and evidence specified in this section, and upon receipt by the Trustee of such other proofs, if any, as shall be required by the Trustee in respect of any pertinent facts.

(2) There shall be delivered to the Trustee a certified copy of a resolution or vote of the Board of Directors of the Company, describing the bonds to be refunded and certifying that the acquisition, payment or retirement thereof has not been used as the basis for the issue of any bonds hereunder or as the basis for the payment of any moneys to the Company, by the Trustee or by the trustee or mortgagee under any divisional lien.

(3) There shall be delivered to the Trustee evidence satisfactory to the Trustee that of the bonds to be refunded a principal amount equal to the principal amount of the refunding bonds to be certified and delivered has been, or concurrently with the certification and delivery of such refunding bonds will be, cancelled or deposited with the Trustee.

## ARTICLE VI.

## ISSUE OF BONDS FOR MONEY.

**Section 1.** If at any time the Company desires to anticipate the issue of bonds for additional property or for refunding purposes under any provision hereof, and if in the former case the net earnings requirements of article III are met, additional bonds may be issued pursuant to the provisions of this article and subject to the limitation of amounts contained in section 4 thereof; upon the deposit with the Trustee of money equal to the principal amount of such bonds, and such money may be withdrawn by the Company for additional properties or for refunding purposes as the case may be, all as more fully provided in this article.

Issue of bonds for money.

**Section 2.** (1) Bonds executed by the Company and delivered to the Trustee shall, upon application by the Treasurer of the Company, be certified by the Trustee and delivered from time to time to the Treasurer of the Company, or upon his written order, upon receipt by the Trustee of the documents specified in section 19 of article I hereof and of the money and additional documents specified in this section, and upon receipt by the Trustee of such other proofs, if any, as shall be required by the Trustee in respect of any pertinent facts.

Documents Trustee is to receive before certifying bonds for money.

(2) There shall be delivered to the Trustee a certified copy of a resolution or vote of the board of directors of the Company stating whether the application is to anticipate the issue of bonds for additional property or to anticipate the issue of bonds for refunding purposes, and in the latter case specifying the bonds to be refunded, which shall be such as are referred to in section 2 of article V hereof

and shall be not less in principal amount than the bonds applied for, and stating the manner in which the same are to be retired, whether by purchase, call for redemption, payment at maturity or otherwise.

(3) There shall be delivered to the Trustee a sum of money equal to the principal amount of the bonds applied for.

(4) There shall be delivered to the Trustee in case the application is to anticipate the issue of bonds for additional property, a certificate such as is required in sub-section (4) of section 6 of article III hereof, covering the matters referred to in subdivisions (a) and (b) of said sub-section.

**Disposition  
of money  
deposited.**

**Section 3.** (1) Money deposited with the Trustee pursuant to the provisions of this article shall be held by the Trustee as part of the mortgaged property and shall be repaid to the Company, or upon its written order, pursuant to the provisions of this section, upon application by the Treasurer of the Company accompanied by a certified copy of a resolution or vote of the board of directors of the Company requesting such payment and by the other documents and evidence specified in this section.

(2) Money deposited upon an application to anticipate the issue of bonds for additional property shall be repaid to the Company in respect of additional property in lieu of and in amounts equal to the principal amount of bonds which would otherwise be issuable under the provisions of article III or of article IV hereof in respect of such additional property, and only under the conditions under which such bonds would be issuable, except that the limitations as to net earnings particularly set forth in section 5 of article III shall not be applicable. Additional property used as a basis for the withdrawal of money under this sub-section shall for the purposes of sub-section (5) of sec-

tion 2 of article III be considered to have been used as the basis for the issue of bonds of a principal amount equal to the amount of money so withdrawn, and no money shall be repaid to the Company if such repayment would involve a violation of the said sub-section when applied as provided in this sentence.

Each application for the repayment of any such money shall be accompanied by the documents specified in section 6 of article III hereof, except those specified in section 19 of article I hereof; provided that the certificate required by sub-section (4) of said section need not cover the matters referred to in subdivisions (a) and (b) of said sub-section.

(3) Money deposited upon an application to anticipate the issue of bonds for the purpose of refunding any bonds shall be repaid to the Company in respect of the refunding of such bonds in amounts equal to the principal amounts of the bonds to be refunded.

Each application for the repayment of any such money shall be accompanied by the documents and evidence specified in section 3 of article V hereof, except those specified in section 19 of article I hereof.

**Section 4.** The Trustee shall not at any time certify and deliver bonds under this article when compliance with the requirements of this article would result in the Trustee's holding moneys received under this article to anticipate the issue of bonds for additional property, in excess of five million dollars (\$5,000,000) principal amount or ten per centum (10%) of all bonds outstanding hereunder, whichever is greater.

Limitation on  
issue of  
bonds for  
money.

## ARTICLE VII.

## CALL AND REDEMPTION OF BONDS.

Bonds  
redeemable.

Except as may be otherwise determined in respect of any series at the time of the authorization thereof, the Company may call and retire the bonds issued and outstanding hereunder, or the bonds of any series, as a whole, or may call and retire any bonds selected by the Trustee by lot from any particular series, on any interest day before maturity at the option of the Company, by the payment of the principal thereof and interest then accrued and such premium on the principal thereof as is stated in the respective bonds.

Call and  
notice.

Notice of such call, which in case of a call of less than all the bonds of any particular series shall specify the numbers of the bonds to be called, shall be published once each week for three successive weeks in one or more newspapers of general circulation published in Boston, Massachusetts, and in one or more newspapers of general circulation published in the Borough of Manhattan, City of New York, and in one or more newspapers of general circulation published in the county where the principal place of business of the Company is located, the first publication to be not less than sixty (60) days prior to the date fixed for such payment, and by mailing notices of such call to all registered holders of bonds to be called at their respective registered addresses, not less than sixty (60) days prior to the date so fixed for such payment. In the case of the call of bonds payable also or only in any place or places outside the United States of America, such publication shall also be made in a newspaper or newspapers of general circulation published in the place or places outside the United States of America where such bonds are made payable.

The Company, prior to the date fixed for such payment, and in due time for remittance to the place or places of such payment, shall deposit with the Trustee a sum of money sufficient for the redemption of the bonds so called. Interest on the bonds so called shall cease from and after the date fixed for such payment, provided said sum of money shall have been so deposited and the notice herein-before mentioned shall have been duly given, and thereafter the holders thereof shall not be entitled to any benefit of or from this indenture except to require of the Trustee an accounting for the amount so deposited.

Deposit of  
redemption  
price with  
Trustee.

In case any question shall arise as to whether or not any such notice shall have been sufficiently given, such question shall be decided by the Trustee, and its decision shall be final and binding upon all parties in interest. All bonds redeemed and paid under this article shall be cancelled and shall not be reissued.

## ARTICLE VIII.

### POSSESSION AND USE OF PROPERTY BEFORE DEFAULT.

Until the happening of some one or more of the events of default enumerated in section 1 of article XI hereof, the Company shall be suffered and permitted to possess, operate, use, maintain and enjoy all the franchises, rights and property of every kind conveyed by this mortgage or deed of trust and every part thereof (except any certificates of stock, bonds, notes and other evidences of indebtedness which may at any time be pledged hereunder), with the appurtenances thereto, and to take and use the income, rents, issues and profits thereof, with power in the ordinary course of business to sell and dispose of, use and consume materials and supplies and

Company  
to retain  
possession  
of property.

deal with contracts and choses in action relating thereto (but with franchises only as herein authorized). If at any time any stock or other securities, except such bonds as are required by this indenture as originally executed to be deposited hereunder, shall be so pledged, the respective rights therein of the Company, the Trustee and the bond-holders may be fixed by supplemental indenture.

## ARTICLE IX.

### CERTAIN COVENANTS OF THE COMPANY.

Covenant to  
pay principal  
and interest.

To perform all  
obligations.

Not to extend  
interest.

To cancel  
coupons etc.  
owned by  
Company at  
maturity.

**Section 1.** The Company covenants and agrees to pay without extension, the principal and interest of all bonds hereby secured as and when the same shall become due and payable according to the tenor of said bonds and the interest coupons thereon, if any. The Company further covenants and agrees to perform all the obligations herein and in said bonds by it required to be performed.

The Company covenants and agrees that it will not directly or indirectly extend or assent to the extension of the time for payment of any coupons or interest upon any bonds, whether by purchase or funding of coupons or by any other arrangement. No coupon or instalment of interest, the time of payment of which is so extended whether or not through action of the Company, and no coupon not accompanied by its bond, shall be entitled to the security of these presents except subject to the prior payment in full of all other coupons and instalments of interest and of the principal of all bonds. If any coupons or claims for interest on any of the bonds secured hereby shall be owned by the Company at or after the maturity of such coupons or claims for interest, then such matured coupons or claims for interest shall not be entitled to the benefit or security of this indenture, and the Company covenants that all

such coupons and claims for interest so owned by it at or after their maturity shall be cancelled promptly.

The Company further covenants and agrees to pay, or cause to be paid, without extension, all principal and interest as and when the same is due and payable upon any divisional lien bonds for the payment of which the Company is liable as maker or guarantor or upon a contract of assumption or otherwise, or upon any divisional lien bonds secured by divisional lien covering, as a lien prior to that of these presents, any property which (a) shall have been used as a basis for the certification of bonds or a release or the withdrawal of moneys from the Trustee under any provision of this indenture, or the withdrawal of any moneys from the trustee or mortgagee under any other divisional lien, and (b) shall not have been used as a basis for a release or withdrawal of moneys from the Trustee merely in connection with the substitution thereof, directly or indirectly, for other property subject to such divisional lien. The Company further covenants to observe or cause to be observed all the terms and conditions of any such divisional lien bonds and of the divisional liens respectively securing the same.

To pay divisional lien bonds and interest.

To observe conditions of divisional liens.

**Section 2.** The Company covenants that it is lawfully ~~of title.~~ seized and possessed of the property, rights, titles and interests presently mortgaged hereby and every part thereof and that the same are respectively free and clear from all liens of every nature having priority or which may become entitled to priority over the lien of these presents and that it has full power and lawful authority to sell, convey and mortgage the same, and that it will warrant and defend the lien and interest therein of the Trustee under this mortgage against the lawful claims of all and every person or persons claiming or who may claim the same.

The Company further covenants that all mortgaged property, rights, titles and interests hereafter acquired and every part thereof, except such as shall not be used as a basis for the certification of bonds, or a release, or the withdrawal of moneys from the Trustee under any provisions of this indenture, or the withdrawal of moneys from the trustee or mortgagee under any divisional lien, shall be respectively free and clear from all liens of every nature having priority or which may become entitled to priority over this indenture, except refundable divisional liens; and the Company further covenants that it shall have full power and lawful authority to sell, convey and mortgage the same, and that it will warrant and defend the lien and interest therein of the Trustee under this mortgage against the lawful claims of all and every person or persons claiming or who may claim the same, except as aforesaid.

To give  
further  
assurances.

**Section 3.** The Company shall and will at any time upon request of the Trustee do, make, acknowledge and deliver all and every such acts, deeds and assurances as may be reasonably required by the Trustee for assuring to and to the use of the Trustee, its successors and assigns, all and singular the premises hereby granted or intended so to be, or for carrying into effect the intention of these presents, or for subjecting to the lien hereof any property hereafter acquired by it.

To procure  
discharge of  
divisional  
liens.

Upon the payment or discharge of all the divisional lien bonds secured by any divisional lien, the Company will procure such lien to be discharged of record, and all insurance policies, funds and property of whatever nature theretofore held in any manner thereunder thereupon to be transferred and delivered to and held by the Trustee.

To pay taxes.

**Section 4.** The Company covenants to pay all valid taxes, assessments and government charges of every name

and nature assessed or laid upon the Company or upon the mortgaged property, or upon the income and profits thereof, or upon any interest therein, including the lien or interest of the Trustee, and all sums which may become due and payable under the terms of any and all licenses, franchises and municipal ordinances; and in case the Company fails to pay any of the taxes, assessments or government charges herein mentioned, or any sums due or payable under the terms of any licenses, franchises or municipal ordinances as aforesaid, within sixty days after the same shall have become due and payable—or, if such failure may cause the loss by the Company of any of its licenses, rights, privileges or franchises which shall be necessary to enable it to operate and maintain as then constructed any substantial portion of its system, then forthwith upon the same becoming due and payable—the Trustee shall have the right at its option, and upon being indemnified to its reasonable satisfaction and requested by the holders of at least one-tenth of the bonds outstanding so to do, it shall be its duty, to pay all such taxes, assessments and government charges or other sums, and thereupon the Company shall repay to the Trustee the amount thereof upon demand, with interest thereon at the rate of six per centum (6%) per annum from the time the same was paid by the Trustee. The amount of any such payments by the Trustee with interest thereon as aforesaid shall, until paid, constitute a lien on the property covered by these presents, and in case of default shall be repaid to the Trustee before any payments are made on any bonds or coupons. The Trustee shall be under no obligation to make any such payment unless requested by the holders of one-tenth of the bonds outstanding and indemnified to its reasonable satisfaction. Nothing in this section contained shall require the Company or the Trustee to pay or discharge any such taxes, assess-

ments or government charges or other sums as aforesaid, so long as the validity thereof or the lawful obligation of the Company therefor shall be contested in good faith and by appropriate legal proceedings, unless such delay, in the opinion of the Trustee, will cause the mortgaged property, or some part thereof, to be lost, forfeited or materially endangered; and provided further that nothing herein contained shall be construed to prevent the surrender or cancellation of any existing ordinances or franchises if the conditions of article X hereof are complied with.

To deposit with Trustee all divisional lien bonds acquired.

Restricting issue of divisional lien bonds.

To limit total amount of divisional lien bonds.

**Section 5.** The Company covenants that it will deposit with the Trustee as a part of the mortgaged property all divisional lien bonds at any time acquired by it, and that it will not issue or cause or permit to be issued any additional bonds under the mortgage of Adirondack Electric Power Corporation dated January 1, 1912, and that it will not voluntarily permit to be issued any additional bonds under any other divisional lien unless all such additional bonds shall be deposited with the Trustee as a part of the mortgaged property; provided, however, that if by supplemental indenture this indenture shall be closed against the issue of additional bonds hereunder, nothing in this section shall restrict the subsequent issue of any divisional lien bonds under any divisional lien which affects, as a lien prior to that of this indenture, only property thereafter acquired.

The Company covenants that, unless by indenture supplemental hereto this indenture shall first be closed against the issue of additional bonds hereunder, the total outstanding principal amount of divisional lien bonds, exclusive of such as shall be pledged hereunder, and minus the total amount of money deposited with and then held by the Trustee under section 3 of article IV hereof in respect of any thereof, shall at no time exceed twenty-five per centum

(25%) of the aggregate principal amount of bonds outstanding under this indenture, or ten million dollars (\$10,000,000) whichever is the larger amount: provided, however, that this limitation shall not prevent the acquisition of any stocks or other securities.

**Section 6.** The Company will not suffer any lien or charge superior or equal to the lien hereof, except divisional liens, to attach to the mortgaged property; provided, however, that the Company shall have the right to contest any such lien or charge and any obligation by virtue of which such lien or charge is claimed to exist, and pending such contest, may defer the payment or discharge thereof, provided that such security for such payment or discharge shall be given as the Trustee may require.

Not to permit prior liens to attach.

In case the Company shall hereafter create any mortgage upon the property, rights and franchises subject to the lien hereof, or upon any part thereof, such mortgage shall be and shall be expressed to be subject to the prior lien hereof upon the property, rights and franchises subject to the lien hereof for the security of all bonds then outstanding or thereafter to be issued hereunder.

To make subsequent mortgages expressly subject hereto.

**Section 7.** The Company covenants that, except in the manner in article XV hereof expressly authorized, it will not in any manner, whether by consolidation, transfer, grant or otherwise, and whether or not expressly subject to the continuing lien hereof, dispose of or lease its property as a whole or substantially as a whole.

Not to dispose of property.

**Section 8.** The Company covenants that, except as provided in article XV hereof, it will continue uninterruptedly to carry on its business and to use and operate its system in an efficient manner, that it will not commit, or permit or suffer others to commit, strip or waste of the mortgaged property, that it will maintain and

To carry on business.

To maintain  
property.

preserve the mortgaged property and that it will at all times maintain, preserve and keep the plants, buildings, machinery, poles, wires and lines and other equipment and property subject to this indenture, with their privileges and appurtenances, in thorough repair, good and serviceable condition, and in a state of high operating efficiency and fully supplied with all necessary equipments, and from time to time will make all needful and proper repairs, renewals, replacements and alterations, and will maintain a suitable reserve to provide for the retirement of its property; but nothing in this instrument contained shall be construed to prevent the Company from selling or procuring the release of any property under the conditions and on the terms set forth in article X hereof.

The Company covenants that at the end of each calendar year the sum of

(a) the actual expenditures of the Company from March 1, 1920, to that time for maintenance and repairs, including the amounts representing the original cost of property renewed, replaced, permanently discontinued or abandoned by the Company and to be deducted in determining the amount of additional property as more fully provided in subdivision (c) of subsection (3) of section 6 of article III hereof, and

(b) the amount of additional property evidenced to the Trustee for the purposes of this section, as hereinafter in this section provided, and

(c) the money which the Company shall then have on deposit or shall then deposit with the Trustee under sub-division (4) of section 2 of article III hereof, or under this section,

shall not be less than the percentages fixed under section 5 of said article III of the gross operating revenues (not including outside earnings) of the Company up to that time.

No additional property shall be included in the foregoing calculation unless there shall be delivered to the

Trustee in respect thereof the documents specified in section 6 of article III hereof, except the documents specified in sub-section (4) of said section 6 and in section 19 of article I hereof. If, however, any amount of additional property shall have been evidenced to the Trustee in like manner and shall at the end of such calendar year be excluded from the determination at that time of the amount of additional property under the provisions of sub-section (4) of section 2 of article III hereof, such property shall be deemed to have been evidenced to the Trustee for the purposes of this section, and no further documents need be filed in respect thereof. Any additional property evidenced to the Trustee under the provisions of this section shall be excluded from the determination at any time of the amount of additional property for any other purpose hereof, other than the purposes of said sub-section (4), except to the extent that at such time the sum of the items referred to in subdivisions (a), (b) and (c) of this section shall exceed the percentages aforesaid, in which case to the extent of such excess such additional property shall no longer be so excluded.

In no case shall expenditures by the Company for maintenance, repairs, renewals and replacements in respect of properties leased to the Company, or in respect of any properties which are not a part of the mortgaged property, be included as expenditures made by the Company for any purpose of this section.

Moneys deposited with the Trustee under the provisions of this section may be withdrawn for the purposes specified in said subdivision (4) of section 2 of article III hereof.

The Company covenants that it will file with the Trustee within the first three months of each calendar year the report of an auditor acceptable to the Trustee and believed by the Trustee to be competent—who may be in the regular employ of the Company unless the Trustee

To file  
auditor's  
report with  
Trustee.

or the holders of fifteen per centum (15%) of the bonds outstanding hereunder request, not later than January 1 of any such year, that he be disinterested—upon the affairs of the Company during the preceding year and its condition at the end thereof, showing in reasonable detail its earnings and expenses and assets and liabilities and in particular the amounts expended for maintenance and repairs and the amount set aside for renewals and replacements and all facts necessary to show whether the requirements of this section have been complied with.

To comply  
with leases  
etc.

**Section 9.** The Company punctually will perform and comply with all the conditions, covenants, terms, stipulations and provisions of any and all leases and operating contracts to which it is a party by assignment or otherwise, and which are subject to the lien of this indenture or to the Company's covenants herein.

To preserve  
franchises  
etc.

The Company further covenants that it will not do or omit to do any act or thing whereby its locations, franchises or rights may become lost or impaired or subject to forfeiture, provided, however, that it may surrender franchises, assent to the modification thereof, or procure the release thereof, all under the conditions and on the terms set forth in article X hereof.

To pay  
certain sums  
to Trustee.

The Company covenants that it will pay to the Trustee any sums which it may receive upon the termination of any grant referred to in sub-section (2) of section 2 of article III hereof.

To insure.

**Section 10.** The Company covenants to insure in responsible companies the buildings, machinery and personal property covered hereby against loss or damage by fire to such an amount sufficient to cover their value as may be deemed reasonable by the Company, and against loss or damage by boiler explosion and other accidents

against which insurance is usually carried by companies operating like properties, in such amounts as are usually carried by such companies, and all such insurance shall be made payable to and the policies therefor shall be delivered to the Trustee; provided, however, that any insurance carried by the Company the policies for which are held by the trustee or mortgagee under any divisional lien shall be deemed *pro tanto* a compliance with the foregoing provisions of this section; and provided further that with respect to any part of the mortgaged property and with respect to any of such classes of insurance, the Company, with the approval of two-thirds of the Board of Directors, evidenced by duly attested resolution filed with the Trustee, may adopt the practice of self-insurance, so-called,—namely, the practice of setting aside such insurance reserves and in such amounts as such two-thirds shall determine to be adequate. Such approval shall specify the amount and interval of the contributions to the fund which shall be made from time to time, and shall be filed with the Trustee, and no such approval shall be effective for a longer period than two years. Such insurance reserves shall, for the purposes of this section, be deemed the equivalent of policies of insurance to the extent to which they shall be accepted by the Trustee. The Trustee shall accept such insurance reserves to such extent as it thinks proper, and may in any case accept them to the extent fixed in any such approval.

Insurance  
reserves.

All moneys constituting such reserves shall, if they lawfully may, be deposited with and held by the Trustee unless they are required to be deposited with and in fact are deposited with the trustee or mortgagee under any divisional lien. The Trustee shall invest and reinvest from time to time, as requested by the Company, any of the moneys held in such insurance reserve in bonds of public or private corporations which are legal investments for sav-

ings banks in one or more of the states of New York, Pennsylvania, and Massachusetts. All interest credited on moneys held in such insurance reserve or collected on the bonds in which such reserve is invested shall be paid over to the Company.

In the event of any loss or damage against which said insurance reserves are applicable, the same, to the extent of such loss or damage, shall be held, applied and disposed of by the Trustee in the same manner as is hereinafter in this section provided with respect to insurance moneys. The amount of such loss or damage and the extent to which such insurance reserves are so applicable shall be determined by the Company, subject to the approval of the Trustee. Such approval may be based upon the certificate of a person believed by the Trustee to be competent, who may be an executive officer of the Company. In the event of any loss or damage by reason of which insurance may become payable, any payment or settlement from or with any insurance company or companies with respect thereto, which shall be acceptable to or agreed to by the Company, may be accepted and consented to by the Trustee, and the Trustee shall be in no way liable or responsible for the adjustment or collection of any insurance.

**Disposition  
of insurance  
moneys.**

All money received by the Trustee from any insurance as aforesaid shall be held by it as security for the payment of the bonds and coupons secured hereby, provided, however, that in case the Company shall, at any time, replace or repair the property so damaged or injured on account of which the insurance became payable or acquire additional property, which shall not fall in any category specified in sub-section (5) of section 2 of article III hereof unless the property damaged or injured fell in such category, which shall not be subject to any divisional lien other than a refundable divisional lien unless the property dam-

aged or injured was likewise subject to such divisional lien, and which could, under the provisions hereof, have been made the basis of the certification of additional bonds hereunder, then the Trustee shall pay over to the Company in instalments from time to time, upon application by the Treasurer of the Company accompanied by a certified copy of a resolution or vote of the Board of Directors of the Company requesting such payment, such portions of insurance money as shall equal the cost of such repairs, replacements or reconstructions, or the cost or value to the Company (whichever is less) of such additional property (1) in the case of any such repairs, replacements, and reconstructions, as evidenced by the certificate of the President or a Vice-President and the Treasurer or an Assistant Treasurer of the Company, stating that said repairs, replacements, and reconstructions have been made and the cost thereof, and that the same have not been used as the basis for the issue of any bonds or for any release hereunder, or as the basis for withdrawal of any moneys by the Company from the Trustee under any provisions of this indenture, or from the trustee or mortgagee under any divisional lien and, (2) in the case of any such additional property, in accordance with the requirements of sub-section (2) of section 3 of article VI hereof (except that the certificate required by sub-section (4) of section 6 of article III hereof may be omitted), but in amounts equal to the full amount of such additional property instead of eighty per centum (80%) or seventy-five per centum (75%) thereof.

In case the Company fails at any time to keep its property properly insured, as provided in the first paragraph of this section, to an amount deemed sufficient by the Trustee (insurance reserves being deemed the equivalent of policies of insurance to the amount hereinbefore in this section provided), the Trustee may, and upon

When Trustee  
may insure.

written request of the holders of ten per centum (10%) of the bonds then outstanding and upon being indemnified against loss to its reasonable satisfaction, the Trustee shall, cause insurance to be placed thereon, and in such case the Company shall repay to the Trustee upon demand the amount of the premiums expended by it, together with interest thereon at the rate of six per centum (6%) per annum from the time of its expenditure by the Trustee, and the amount of such expenditures with interest until repaid to the Trustee shall constitute a prior lien on the property covered hereby, and in case of default shall be repaid to the Trustee before any payments are made on any bonds or coupons as herein provided. The Trustee shall not be responsible for the amount of insurance or its sufficiency or be required to take out insurance except upon written request and indemnification as aforesaid.

To record.

**Section 11.** The Company covenants and agrees to cause this mortgage or deed of trust, and every indenture supplemental hereto which may hereafter be executed, pursuant to section 3 of this article or otherwise, to be recorded and filed as a mortgage both of real estate and of personal property in such manner and in such places and at such times as may be required to preserve and protect the security of the bondholders' lien hereunder on the mortgaged estate and the rights and remedies of the Trustee, and the Trustee shall in no wise be liable for any failure or omission in this regard.

To keep  
books, furnish  
statements,  
and permit  
inspection.

**Section 12.** The Company covenants that proper books of record and account shall be kept in which full, true and accurate entries shall be made of all dealings or transactions of or in relation to the plants, property, business and affairs of the Company, and that as often as the Trustee

may reasonably request there shall be furnished to the Trustee for information of the Trustee and the bondholders a written statement, showing accurately and in reasonable detail all earnings and expenses of, from or in connection with the mortgaged property, and the assets and liabilities of the Company. At any and all reasonable times the Trustee and its duly authorized agents, attorneys, experts, engineers, accountants and representatives shall have the right fully to inspect any and all the mortgaged property, including all such books and records, and to take such memoranda therefrom and in regard thereto as they may desire.

**Section 13.** The Company will, while any of the bonds issued hereunder are outstanding, maintain an office or agency in the Borough of Manhattan, City of New York, and at such other place or places, if any, as shall have been designated in any outstanding bond issued hereunder, where the bonds and coupons issued hereunder may be presented for payment and where notices and demands in respect to such bonds and coupons may be served or made, and where the Company will keep books for the transfer, exchange and registration of bonds as hereinbefore provided. From time to time, the Company will give written notice to the Trustee of the location of such offices and agencies and of any change in such locations. In default of such written notice, presentation and demand may be made and notices may be served at the office of the Trustee in the Borough of Manhattan, City of New York, which in that event shall be deemed and shall be the representative of the Company for such purpose, but the Trustee shall be under no duty, obligation or liability, either to the Company or to any other person or corporation, with respect to any such presentation, demand or notice.

To maintain  
agency in  
New York.

Not to  
dispose of  
bonds except  
in accordance  
herewith.

**Section 14.** The Company will not issue, negotiate, sell or dispose of any bonds hereby secured in any manner other than in accordance with the provisions of this indenture and of supplemental indentures, and of the agreements in that behalf herein or therein contained.

Sale of  
obsolete  
equipment.

**Section 1.** Until the happening of some one or more of the events of default enumerated in section 1 of article XI hereof, the Company, without any release by the Trustee,

(1) May sell or otherwise dispose of free from the lien of this indenture, any machinery, equipment, tools or implements which may have become obsolete or unfit for use, upon replacing the same with or substituting for the same new machinery, equipment, tools or implements, of value at least equal to that of those disposed of; provided that the Company shall not under this provision sell or dispose of in any period of six successive months property exceeding in value two per centum (2%) of the aggregate face value of the bonds then outstanding hereunder, or the sum of two hundred fifty thousand dollars (\$250,000), whichever is less; and provided further that the substituted property shall not fall in any category specified in sub-section (5) of section 2 of article III hereof unless at least an equal amount of the property disposed of fell in such category, and shall not be subject to any divisional lien other than a refundable divisional lien unless the property disposed of was likewise subject to such divisional lien;

Sale of  
materials and  
supplies.

(2) In the ordinary course of business may deal in, sell and dispose of materials and supplies;

## ARTICLE X.

### SALE AND RELEASE OF PROPERTY BEFORE DEFAULT.

**Section 1.** Until the happening of some one or more of the events of default enumerated in section 1 of article XI hereof, the Company, without any release by the Trustee,

(1) May sell or otherwise dispose of free from the lien of this indenture, any machinery, equipment, tools or implements which may have become obsolete or unfit for use, upon replacing the same with or substituting for the same new machinery, equipment, tools or implements, of value at least equal to that of those disposed of; provided that the Company shall not under this provision sell or dispose of in any period of six successive months property exceeding in value two per centum (2%) of the aggregate face value of the bonds then outstanding hereunder, or the sum of two hundred fifty thousand dollars (\$250,000), whichever is less; and provided further that the substituted property shall not fall in any category specified in sub-section (5) of section 2 of article III hereof unless at least an equal amount of the property disposed of fell in such category, and shall not be subject to any divisional lien other than a refundable divisional lien unless the property disposed of was likewise subject to such divisional lien;

(2) In the ordinary course of business may deal in, sell and dispose of materials and supplies;

(3) May abandon, terminate, release, or make changes or alterations in or substitutions of any and all leases, agreements, or contracts (including leases of going concerns) now subject or which may hereafter become subject to this indenture, provided, however, that nothing in this section contained shall give the Company power to make any leases of or to grant rights upon or in respect to the trust estate or to enter into any contract affecting the same except subject to the prior lien of this indenture, and that the Company shall not abandon, terminate, release or make changes or alterations in or substitutions of any leases, agreements or contracts which would impair the substantial integrity or efficiency of its plants and systems, and that any modified, altered or substituted leases or contracts shall forthwith become bound by and be subject to the terms of this indenture to the same extent and in the same manner as those previously existing; provided however that the Company may so abandon, terminate, release, or make changes of or alterations in or substitutions of any lease of a going concern in case no additions thereto or extensions thereof or other property dependent for its value thereon, shall have been used as the basis for the issue of bonds or the release of property or the withdrawal of money from the Trustee under any provisions hereof or the basis for withdrawal of money from the trustee or mortgage under any divisional lien. In case any such additions, extensions, or other property have been so used, the Company may so abandon, terminate, release or make changes of or alterations in or substitutions of any such lease of a going concern only with the prior written approval thereof by the Trustee as not substantially prejudicial to the interests of the bondholders hereunder.

(4) May, at any time and from time to time, without any release by the Trustee, surrender or assent to the

Termination  
or alteration  
of leases and  
agreements.

Surrender of  
franchises.

modification of any franchise which it may hold, or under which it may be operating, provided, that (a) in the event of any such modification, the franchise, as modified, shall, in the opinion of counsel acceptable to the Trustee (who may be of counsel to the Company) authorize the continuance of the same or an extended business in the same or an extended territory during the same or an extended or unlimited period of time and the modification, in the opinion of the said counsel and of the Board of Directors of the Company, expressed by resolution duly adopted, shall not be prejudicial to the interests of the bondholders, or (b) in the event of any such surrender, the Company shall receive in exchange a new franchise, license or permit, which, in the opinion of counsel acceptable to the Trustee (who may be of counsel to the Company) shall authorize it to do the same or an extended business in the same or an extended territory during the same or an extended or unlimited period of time, or after the surrender of any such franchise, the Company shall still, under some other franchise, license or permit (subject to the lien of this indenture, and free from any lien prior thereto except any lien to which the released franchise is also subject and taxes for the then current year) have the right, in the opinion of counsel acceptable to the Trustee (who may be of counsel to the Company), to conduct the same or an extended business in the same or an extended territory during the same or an extended or unlimited period of time, and the surrender, in the opinion of the said counsel and of the Board of Directors of the Company, expressed by resolution duly adopted, shall not be prejudicial to the interests of the bondholders.

Substituted  
property to  
be subject  
hereto.

Any new property acquired by the Company by exchange or purchase, to take the place of any property in any way disposed of under any of the provisions of this section, shall forthwith and without further conveyance become

subject to the lien of and be covered by this indenture; but if requested by the Trustee the Company shall convey the same to the Trustee by proper deeds upon the trusts and for the purposes of this indenture.

At any time after any event of default aforesaid, the Company may do any of the things enumerated in this section if the Trustee in its uncontrolled discretion shall authorize or assent to such action.

Sales, etc.,  
when Com-  
pany in  
default.

No provision of this section preventing action by the Company thereunder shall be construed to prevent action by the Company under any other section of this article.

**Section 2.** Until the happening of some one or more of the events of default enumerated in section 1 of article XI hereof, the Company may sell, exchange or otherwise dispose of any of its property or franchises at any time covered hereby, and the Trustee shall release the same from the lien hereof upon receipt by the Trustee of:

Trustee to  
release  
property on  
receipt of

(1) A copy of a resolution certified to have been adopted by the Board of Directors of the Company, requesting such release;

Resolution of  
Board of  
Directors.

(2) A certificate signed by the President or a Vice-President of the Company and by an engineer or other person believed by the Trustee to be competent, (who may be an employee of the Company) selected by the Company and acceptable to the Trustee, made and dated not more than thirty days prior to the date of the application for such release, stating in substance

Certificate  
of President  
or Vice-  
President and  
engineer or  
other com-  
petent person.

(a) That the retention of such property or franchise is no longer desirable in the conduct of the business of the Company, and that the security hereby afforded will not be impaired by its release; and

(b) That the property or franchise so to be re-

leased has or has not in the opinion of the signers any value to the Company, and if it has, the amount of such value; and the consideration for which the Company has sold or exchanged or contracted to sell or exchange such property or franchise, which consideration may be any one or more of the following, viz., (1) cash, or (2) obligations secured by purchase money mortgage upon the property released, or (3) additional property which is in none of the categories mentioned in sub-section (5) of section 2 of article III hereof unless the property to be released is in the same category and which is not subject to any divisional lien other than a refundable divisional lien unless the property to be released is likewise subject to such divisional lien; and that the amount of such consideration as determined by the signers consistently with the provisions hereof is at least equal to the value to the Company of the property or franchise to be released, or if not, the amount of deficiency. Such consideration shall be set out in reasonable detail in such certificate, and if it comprises any such property, the certificate shall conform in all respects, including the qualifications of the persons making the same, to the requirements of sub-section (3) of section 6 of said article III.

**Consideration.** (3) Any money or obligation stated in said certificate as the consideration received or to be received for such property or franchise to be released, plus a sum equal to the excess, if any, of the value to the Company of such property or franchise to be released over such consideration; and if real estate or other property is included in such consideration, deeds or other instruments of conveyance, assignment or transfer sufficient, in the opinion of counsel

hereinafter referred to, to subject the same to the lien of this indenture;

(4) An opinion of counsel (who may be of counsel to the Company) acceptable to the Trustee, to the effect that any obligations included in the consideration for such release are, in his opinion, valid obligations, and that any purchase money mortgage securing the same is sufficient to afford a lien upon the property or franchise to be released, and if any property is included in the consideration for such release, setting forth the matters called for by sub-section (5) of section 6 of article III hereof.

(5) In case the Trustee shall be requested to release any franchise from the lien of this indenture, pursuant to the provisions of this section, it shall also be furnished with the opinion of counsel (who may be of counsel to the Company), acceptable to the Trustee, to the effect that such release will not impair the right or ability of the Company to operate any of its remaining properties during a term extending to a date five years later than the latest due date of any bonds then outstanding hereunder.

Notwithstanding any provisions of this section, the Company may sell, exchange or otherwise dispose of, and the Trustee shall release from the lien hereof, any property or franchises at any time covered hereby which may be subject to any divisional lien, whether or not the Trustee shall receive the whole or any part of the consideration therefor; provided that the other requirements of this section are complied with, and that any of such consideration not received by the Trustee be deposited with the trustee or mortgagee under such divisional lien. The Company covenants to deposit with the Trustee such consideration or the proceeds thereof whenever the same shall be released from such divisional lien.

At any time after any event of default aforesaid, the Company may do any of the things enumerated in this

Opinion of  
counsel.

Opinion  
regarding  
franchises.

Release of  
divisional  
lien property.

Releases, etc.,  
when Com-  
pany in  
default.

section if the Trustee in its uncontrolled discretion shall authorize or assent to such action.

Protection of  
Trustee.

**Section 3.** The Trustee before executing any such release or conveyance shall not be bound to make any further inquiry as to the correctness of the matters set forth in any such resolution, certificate or opinion, unless requested in writing so to do by the holders of not less than ten per centum (10%) of the outstanding bonds, and furnished with adequate security and indemnity against the costs and expenses of any such examination; but may do so. If the Trustee shall determine or shall be requested, as aforesaid, to make such further inquiry, it shall be entitled to examine the books, records and premises of the Company either personally or by agent or attorney; and unless satisfied with or without such examination of the truth and accuracy of the matters stated in any such resolution, certificate or opinion and willing to accept the conclusions stated therein, the Trustee shall be under no obligation to execute the release asked for. The reasonable expenses of every such examination shall be paid by the Company, or if paid by the Trustee, shall be repaid by the Company upon demand, with interest at the rate of six per cent per annum, and such payment shall be secured by the lien of this indenture in priority to the lien of the bonds and coupons issued hereunder.

Receiver, or  
Trustee in  
possession,  
may act for  
Company.

**Section 4.** In case the mortgaged property shall be in the possession of a receiver, lawfully appointed, the powers hereinbefore conferred upon the Company with respect to the sale or other disposition of property covered hereby may be exercised by such receiver; and if the Trustee shall be in possession of the mortgaged property under any provision of this indenture, then such powers may be exercised by the Trustee in its discretion.

**Section 5.** All moneys received by the Trustee under the provisions of this article or of section 10 of article IX hereof shall be held by it as security for the payment of the principal and interest of the bonds and coupons secured hereby, and shall at the option of the Company be paid over to the Company as a whole or in instalments from time to time, upon application by the Treasurer of the Company accompanied by a certified copy of a resolution or vote of the Board of Directors of the Company requesting such payment, to the extent of the value or the cost to the Company (whichever is less) of additional property, which shall not fall in any category specified in sub-section (5) of section 2 of article III hereof unless the property from the release of which such moneys arose also fell in such category, which shall not be subject to any divisional lien other than a refundable divisional lien unless the property in respect of which such moneys were received was likewise subject to such divisional lien, and which shall be acquired by the Company, in accordance with the requirements of sub-section (2) of section 3 of article VI hereof (except that, if the moneys referred to in this section on deposit with the Trustee do not exceed two hundred fifty thousand dollars (\$250,000), the certificate required by sub-section (4) of section 6 of article III hereof may be omitted), but in amounts equal to the full amount of such additional property instead of eighty per centum (80%) or seventy-five per centum (75%) thereof.

Disposition  
of money  
received by  
Trustee.

**Section 6.** Moneys received by the Trustee in connection with the release of any of the mortgaged property, if they remain in the hands of the Trustee for five years after the receipt thereof, and if there are then outstanding any bonds secured hereby which are subject to call and redemption, shall be devoted without unreasonable delay to

Retirement  
of bonds.

the retirement of bonds secured hereby, and in any event in the discretion of the Company may be devoted to such retirement.

Protection of  
purchaser.

**Section 7.** In no event shall any purchaser or purchasers of any property released by the Trustee, or sold or disposed of by the Company, under any provision of this article, be required to see to the application of the purchase price or to inquire into the occurrence of the events on which the authorization of such sale or release depends.

Release in  
case of  
condemna-  
tion, etc.

**Section 8.** In the event of the taking or condemnation of property of the Company by public authority, or of any sale or conveyance by the Company in lieu of such taking or condemnation and in reasonable anticipation thereof and in case such taking or condemnation proceedings might lawfully be exercised to vest such property in such grantee for the same purposes, or if the state or any municipality or other public authority shall at any time exercise any right which it may have to purchase any part of the mortgaged property, the Trustee may release the property so taken or sold and shall be fully protected upon being furnished with an opinion of counsel selected by the Company and acceptable to the Trustee (who may be of counsel to the Company) to the effect that such property has been lawfully taken or condemned or sold to a municipality as aforesaid, or in the case of any such sale other than to the state or to a municipality or other public authority pursuant to any such right upon being furnished with a resolution of the Board of Directors of the Company certifying that in the opinion of such Board of Directors such sale was in lieu of and in reasonable anticipation of such taking or condemnation and was for the interests of the Company, and upon the

deposit with the Trustee, in any case, of the net proceeds of any such sale, taking or condemnation.

Such net proceeds shall be held by the Trustee and may be repaid by it to the Company under the same conditions as prescribed in section 5 of this article for the repayment of moneys received by the Trustee as the proceeds of any release, except that if the proceeds of any single sale, taking or condemnation exceed twenty-five per centum (25%) of the aggregate principal amount of bonds then outstanding hereunder, or exceed ten million dollars (\$10,000,000), whichever is the lesser amount, and any such bonds are subject to call and redemption, the excess over such lesser amount shall without unreasonable delay be devoted to the retirement of such bonds.

Disposition  
of proceeds.

**Section 9.** In any case in which by any provision hereof moneys are required to be devoted to the retirement of bonds, the Company shall call bonds and the Trustee will apply the moneys to the payment thereof pursuant to the provisions hereof.

Retirement  
of bonds.

## ARTICLE XI.

### DEFAULT AND FORECLOSURE.

#### **Section 1.** In case

(1) a receiver shall be appointed for the Company or of its property or any part thereof and such receivership shall have continued for ninety (90) days, or without such ninety (90) days' delay in case the Company shall waive the same, or

Events of  
default:  
Receivership.

(2) the Company shall make a general assignment for the benefit of its creditors or be adjudged insolvent or bankrupt, or

General  
assignment,  
insolvency,  
bankruptcy.

(3) default shall be made by the Company in the payment of any bond or coupon or of interest upon any bond,

Default in  
bonds or  
interest.

and such default in the payment of coupons or interest shall continue for a period of ninety (90) days, or without such ninety (90) days' delay in case the Company shall waive the same, or

Default in  
divisional  
lien interest.

(4) default shall be made in the due and punctual payment of any instalment of interest on any divisional lien bond which the Company in section 1 of article IX hereof covenants to pay, and such default shall have continued for a period of six months, or

Default in  
divisional lien  
principal.

(5) default shall be made in the due and punctual payment of the principal of any divisional lien bond which the Company in section 1 of article IX hereof covenants to pay, or

Default in  
divisional lien  
covenants.

(6) any other default shall be made in the observance or performance of any condition or covenant contained in any divisional lien or in any divisional lien bond which the Company in section 1 of article IX hereof covenants to pay, and by reason of such default any right of entry or other right for the enforcement of such divisional lien shall have accrued, or

Other  
defaults.

(7) default shall be made by the Company in the due observance or performance of any other covenant, agreement or provision herein required to be observed or performed by the Company, and any such default shall continue for a period of ninety (90) days after written notice thereof shall have been given to the Company by the Trustee or by the holders of ten per centum (10%) of all then outstanding bonds secured hereby, or without such ninety (90) days' delay in case the Company shall waive the same or in case such default if continued will cause the loss by the Company of any of its rights or franchises which are necessary to enable the Company to operate and maintain as constructed any substantial portion of its system,

(which events numbered (1) to (7) inclusive are herein referred to as events of default);

Then and in any such case the Trustee may do any and all of the following things, and if specifically so requested in writing by the holders of one-fourth ( $\frac{1}{4}$ ) in principal amount of the bonds secured hereby then outstanding—or, in lieu of such request, if so requested in writing by the holders of one-half ( $\frac{1}{2}$ ) in principal amount then outstanding of any particular series of bonds secured hereby, in respect of the payment of principal or interest of which series the then existing event of default shall have occurred—and reasonably indemnified, the Trustee shall proceed to the foreclosure of this indenture or the enforcement of the lien hereof, but in so doing shall have the right, except as hereinafter provided, to determine which of the methods of foreclosure or enforcement hereinafter set forth, and which are lawful, it shall adopt, and its decision upon this subject shall be conclusive:

Requests on  
which Trustee  
is to act.

(a) The Trustee may and upon the written request of the holders of one-fourth in principal amount of the bonds secured hereby then outstanding—or, in lieu thereof, upon such request of the holders of one-half ( $\frac{1}{2}$ ) in principal amount then outstanding of any particular series of bonds secured hereby, in respect of the payment of principal or interest of which series the then existing event of default shall have occurred—the Trustee shall, by notice in writing to the Company, declare the principal of all of the bonds to be immediately due and payable, and upon any such declaration the same shall become and be immediately due and payable, anything in this indenture or in said bonds to the contrary notwithstanding.

Trustee may  
declare all  
bonds due.

(b) The Trustee may enter upon the mortgaged estate or any part thereof and exclude the Company therefrom and may, by its agents, servants or attorneys, have, hold, use and operate the same, and all rights and franchises appertaining thereto; may do all things necessary for the proper management and maintenance of the mortgaged estate including any and all such repairs, renewals, replacements, altera-

Trustee may  
enter and  
operate  
property.

tions and additions as may seem to the Trustee judicious; may purchase or otherwise secure the use of supplies and equipment; may enter into agreements or arrangements regarding the mortgaged estate or the working and maintenance thereof; and generally may operate, manage and control the mortgaged estate and the business in which the same is employed in all respects in like manner and as fully as the Company could do, if this mortgage had not been made; and after deducting the operating and all other expenses and liabilities incurred hereunder or reasonably incident to the conduct of the business and management of the mortgaged estate, and special compensation to the Trustee, shall apply the balance of income remaining so far as necessary (1) to the payment of accrued interest in default in the order of the maturity of the instalments of such interest (with interest thereon at the respective rates borne by the bonds on which the interest is in default), payments to be made ratably to the persons entitled thereto without other discrimination or preference, except as provided in section 1 of article IX hereof in respect to coupons and claims for interest funded or extended and to coupons not accompanied by their bonds, and (2) to such other payments as may then be due; and shall hold the surplus, if any, as part of the principal of the mortgaged estate.

Trustee may  
sell property.

(c) The Trustee may, after entry as aforesaid, or without entry, sell or cause to be sold all the mortgaged property (including any divisional lien bonds deposited under the provisions of article IX hereof, and all stocks, bonds, indebtedness, franchises, rights, appurtenances and real and personal property of every kind) as an entirety, unless otherwise provided by law, or unless the holders of a majority in principal amount of all bonds secured hereby then outstanding shall in writing request a sale in parcels, in which case the sale shall be made in such parcels as shall be specified in such request. The Trustee shall make the sale on such terms as it may deem advisable, to the highest bidder or bidders at public auction at such time as it shall appoint and at some designated place in the City of New York, or at the principal place of business of the Company (or at such other time or place, if any,

as may be required by law) having first given notice of such sale as required by law and also notice of the time and the place of such sale, with a brief general description of the property to be sold, by advertisement published not less than twice in each week for four successive weeks in one or more newspapers of general circulation published in Boston, Massachusetts, and in one or more newspapers of general circulation published in the Borough of Manhattan, City of New York, and in one or more newspapers of general circulation published in the county where the principal place of business of the Company is located; and, in case any bonds then outstanding hereunder are made payable also or only in any place or places outside the United States of America, in a newspaper or newspapers of general circulation published in such place or places outside the United States of America, where such bonds are made payable; and the Trustee (so far as permitted by law) may adjourn any such sale from time to time in its discretion, and, so adjourning, make such sale at the time and place to which the same shall be adjourned without further notice or publication.

Upon the completion of any such sale hereunder the Trustee is hereby further empowered and authorized, either in its own name or in the name of the Company, to make, execute, acknowledge and deliver to the accepted purchaser or purchasers all necessary conveyances, assignments, and transfers of the property rights and franchises so sold, and assignments of policies of insurance thereof, and the Trustee and its successors in trust are hereby appointed irrevocably the true and lawful attorney or attorneys of the Company in its name and stead to make all such necessary conveyances, assignments and transfers, the Company hereby ratifying and confirming all that its said attorney or attorneys may lawfully do by virtue hereof; but the Company covenants that if so requested by the Trustee or by the purchaser or purchasers it will join in the execution and delivery of such conveyances, assignments and transfers, or will execute, acknowledge and deliver confirmations thereof. As affecting the title to any property purchased at any sale of the mortgaged estate, the statements set forth in any affidavit

Conveyances.

of the President or a Vice-President, or the Treasurer or an Assistant Treasurer of the Trustee and appended to the deed of conveyance, shall not be open to contradiction or dispute by any party or parties, but shall conclusively be deemed to be true. Any such sale made in accordance with the provisions hereof shall be a perpetual bar both in law and in equity against the Company and all persons claiming the mortgaged estate, or any interest therein, by, through or under the Company.

Disposition  
of proceeds  
of foreclosure  
sale.

The purchase money or proceeds of any foreclosure sale of the mortgaged property, whether under the power of sale hereby granted or pursuant to judicial proceedings, shall be paid to and received by the Trustee, and, together with any sums which then may be held by the Trustee under the provisions of this indenture as part of the trust estate or the proceeds thereof, shall be applied by the Trustee, after deducting and retaining therefrom a sum sufficient to cover all the expenses of such sale, and all expenses or liabilities which may have been incurred by it in operating or maintaining the property of the Company, or in managing the business thereof while in possession, or other proper outlays incurred by it in or about this trust, and all taxes, assessments, charges or liens prior to the lien of this indenture as well as compensation for its own services, as follows:

Payment of  
principal and  
interest.

(i) To the payment of the unpaid interest on said bonds and to the payment of the principal of said bonds (with interest on the principal and on the overdue instalments of interest at the same rates respectively as were borne by the bonds whereof the principal or instalments of interest may be overdue) ratably to the aggregate of such principal and unpaid interest, without discrimination or preference of principal over interest, or interest over principal, or earlier issues or maturities over later issues or maturities; subject however to the provisions of subdivision (b) of this section relating to the application of current earnings received by the Trustee after entry, and subject to the provisions of section 1 of article IX relating to coupons and claims for interest funded or extended and to coupons not accompanied by their

bonds. Said interest shall be computed to, and said payments shall be made on or after, the date fixed therefor by the Trustee, upon presentation of the several bonds and coupons and stamping thereon the amount paid, if such bonds and coupons be only partly paid, and upon surrender of such bonds and coupons if fully paid.

(ii) To the payment of the surplus, if any, to the Company or to such other person or persons as may be legally entitled thereto.

Payment of  
surplus to  
Company.

(d) The Trustee may proceed to protect and to enforce its rights and the rights of the bondholders hereunder by a suit or suits in equity or at law, whether for the specific performance of any covenant or agreement contained herein, or in aid of the execution of any power, or for the foreclosure of this indenture for default in payment of interest or principal or both or for any other default, or for the enforcement of such other appropriate legal or equitable remedy as the Trustee, being advised by counsel, shall deem most effectual to protect and enforce its rights and those of the bondholders hereunder and to discharge its duties hereunder.

(e) The Trustee, as an incident to any of the foregoing, or independently, may have a receiver of the mortgaged property and of the earnings, income, revenue, rents, issues and profits thereof, appointed *ex parte* and without notice, the Company hereby waiving notice and agreeing that a receiver may be appointed in any event of default, not as a matter of penalty but as a matter of contract and as part of the consideration for and the security of this indenture.

(f) The Trustee may take any other action in law or in equity which it deems desirable to foreclose or enforce the lien hereof.

Trustee may  
sue at law  
or in equity.

Trustee may  
have receiver  
appointed.

The remedies herein conferred upon the Trustee and the bondholders are cumulative. The exercise of any remedy shall not in any manner deprive the Trustee or any holder or holders of bonds of any other remedies in law or in equity consistent with the provisions hereof.

Remedies  
cumulative.

Majority of  
bonds may  
control Trus-  
tee's action.

Anything in this indenture to the contrary notwithstanding, the holders of a majority in principal amount of all bonds secured hereby then outstanding shall have the right from time to time to determine which one or more of the remedies or methods of procedure above mentioned or hereinafter set forth shall be taken, and to direct and control the action of the Trustee in any proceedings under this article.

Waiver of  
default.

**Section 2.** The foregoing provisions for default, however, are subject to the condition that if at any time after an event of default, all arrears of principal and interest shall either be paid by the Company or be collected out of its property before any sale of the property shall have been made, or if any default in the observance or performance of any covenant, condition or agreement herein not relating to payment of principal or interest shall be cured or adequate satisfaction in the opinion of the Trustee made therefor, then the Trustee may, and upon the written request of the holders of a majority in principal amount of the bonds hereby secured then outstanding shall, waive such default and its consequences, except a default in the payment of principal at maturity, and annul the effect of any declaration that the principal of the bonds secured hereby be due and payable before maturity; but no such waiver shall extend to or affect any subsequent default or impair any right consequent thereon.

Parties  
restored to  
former  
positions.

In case the Trustee shall have proceeded to enforce any right under this indenture by foreclosure or otherwise, and such proceeding shall have been discontinued or abandoned because of such waiver, or for any other reason, or shall have been determined adversely to the Trustee, then and in every such case the Company and the Trustee shall be restored to their former positions and rights hereunder in respect of the mortgaged estate and all rights and powers

of the Trustee and of the Company shall continue as though no such proceedings had been taken.

No delay or omission of the Trustee or of any holder of bonds hereby secured to exercise any right or power accruing upon or after any default, continuing as aforesaid, shall impair any such right or power or be construed to be a waiver of any such default or of any subsequent default or acquiescence therein, and every power and remedy given hereunder to the Trustee or to the bondholders may be exercised from time to time and as often as may be deemed expedient by the Trustee or by the bondholders.

No right impaired by non-exercise.

**Section 3.** No holder of bonds secured hereby or of any claim for interest secured hereby shall have the right to institute any proceeding for the foreclosure of this indenture or other proceeding to enforce the lien hereof or for any other remedy hereunder unless the holders of twenty-five per centum (25%) in principal amount of the bonds secured hereby then outstanding—or, in lieu thereof, the holders of fifty per centum (50%) in principal amount then outstanding of any particular series of bonds secured hereby, in respect of the payment of principal or interest of which series a then existing default shall have occurred—by written notice, filed with the Trustee, shall have requested the Trustee to take action in respect of the matter complained of, and shall have afforded to the Trustee a reasonable opportunity to proceed; nor unless also such holder or holders shall have offered to the Trustee satisfactory security and indemnity against the costs, expenses and liabilities which might be incurred by the Trustee in the exercise of any of the remedies herein provided; nor unless the Trustee shall have refused or neglected to act upon such request and indemnity; and such request and offer of indemnity are hereby declared in every such case, at the option of the Trustee, to be conditions

When bond-holders may sue hereunder.

precedent to the execution of the powers and trusts of this indenture, and to any action or cause of action for foreclosure or for the appointment of a receiver or for any other remedy hereunder; it being understood and intended that no one or more holders of bonds, coupons or claims for interest secured hereby shall have any right in any manner whatsoever to affect, disturb or prejudice the lien of this indenture by his or their action or to enforce any right hereunder except in the manner herein provided, and that all proceedings at law or in equity shall be instituted and maintained in the manner herein provided.

All bonds to  
become due  
in case of  
sale of  
mortgaged  
property.

Waiver of  
stay and  
redemption  
laws, etc.

Purchaser  
may use  
bonds in  
payment.

Trustee, or  
bondholders,  
may purchase.

**Section 4.** In case of any sale of the mortgaged property, the principal of the bonds secured hereby, if not previously due, shall at once become due and payable, anything in said bonds or herein contained to the contrary notwithstanding.

In case of any sale of the mortgaged property, the Company waives the benefit of any and all stay, valuation, appraisement and exemption laws, and all right of redemption, now or hereafter in force, and it covenants that it will not invoke or utilize any such law or laws in order to hinder, delay or impede the execution of any power herein granted and delegated to the Trustee, but that the Company will suffer and permit the execution of such power as though no such law or laws had been made or enacted.

In case of any sale of the mortgaged property, the purchaser may make payment of the purchase money in bonds and matured and unpaid interest obligations secured hereby, in a sum equal to that which would be payable on such bonds and interest obligations out of the net proceeds of such sale, if made for money, by presenting the same so that there may be credited as paid thereon the sums so payable.

In case of any sale of the mortgaged property, the Trustee or any bondholder or bondholders may bid for and pur-

chase said property, or cause the same to be purchased, and may make payment therefor, as aforesaid, and upon compliance with the terms of sale may hold, retain and dispose of such property without further accountability.

In case of any sale of the mortgaged property, the receipt of the Trustee or of the court officer conducting the sale for the purchase money shall be a sufficient discharge to the purchaser, and no such purchaser, after paying such purchase money and receiving such receipt, shall be bound to see to the application of the purchase money, nor be answerable in any manner for any loss, misapplication or non-application thereof, or be bound to inquire as to the authorization, necessity, expediency or regularity of any such sale.

Protection of  
purchaser.

The provisions of this section regarding sale of the mortgaged property shall be deemed to refer to any sale, to enforce the lien hereof, whether made under the power of sale herein granted or under some judgment or decree of foreclosure and sale or pursuant to any other judicial proceeding or otherwise.

**Section 5.** The Company covenants that

(1) in case default shall be made in the payment of the principal of any of the bonds secured hereby when the same shall become payable, whether upon maturity thereof or upon a declaration as authorized by this indenture, or

On certain  
defaults  
Company to  
pay entire  
principal and  
interest.

(2) upon any sale of the mortgaged property or any part thereof by way of foreclosure of this indenture, whether made under the power of sale herein granted, or pursuant to judicial proceedings, or under some judgment or decree of foreclosure and sale, or otherwise,

Then in either such case, on demand by the Trustee, the Company will pay to the Trustee for the benefit of the holders of the bonds secured hereby then outstanding, and of the trust estate hereunder, the principal

amount of all such bonds and all amounts of interest then due or accrued thereon (with interest upon the overdue principal and instalments of interest at the same rates respectively as were borne by the respective bonds whereof the principal or instalments of interest shall be overdue) and in addition all other amounts which may be due the Trustee under any provisions of this indenture; and in case the Company shall fail to pay the same forthwith upon such demand, the Trustee in its own name and as trustee of an express trust shall be entitled to recover judgment against the Company for the whole amount thereof. Such action may be maintained and such judgment recovered either before or after or during pendency of any proceedings for foreclosure hereunder or for the enforcement of the lien hereof or any other remedy hereunder; and in case of any sale of the mortgaged property and the application of the net proceeds thereof to the payment of the debt secured by this indenture the Trustee in its own name and as trustee of an express trust shall be entitled to recover judgment against the Company for any balance which may remain unpaid in respect of all bonds secured hereby then outstanding and all amounts of interest then due or accrued thereon, with interest upon overdue principal and instalments of interest as aforesaid, plus all other amounts which may be due the Trustee under the provisions of this indenture. No recovery of any such

Judgment not  
to affect  
lien hereof.

judgment by the Trustee, and no levy of any execution upon such judgment upon any of the mortgaged property or upon any other property, shall in any manner or to any extent affect the lien of this indenture upon the mortgaged property or any of it, nor shall such recovery or levy in any manner or to any extent affect the lien, rights, powers and remedies of the Trustee or of the holders of the bonds secured hereby, but such lien, rights, powers and remedies of the Trustee and of such holders shall continue

unimpaired as before. All moneys thus collected by the Trustee shall be applied in like manner as is hereinbefore provided in this article with respect to the proceeds of any foreclosure sale.

**Section 6.** No Trustee or bondholder shall, under any circumstances, have recourse to any personal, statutory or other liability of any promoter, stockholder, director or officer, past, present or future, of the Company or of any corporation with which this Company may be consolidated, or of any other successor corporation as herein defined, whether such liability now exists or is hereafter incurred or created; but it is expressly agreed that this indenture, and the bonds, coupons, and interest and other obligations hereunder are solely corporate obligations, and each such Trustee and bondholder shall look for the payment of the bonds, coupons and interest secured hereby and for the performance of all other obligations hereunder, and for satisfaction and indemnity, solely to the corporate assets and franchises of the Company, and such assets shall not embrace any claim which might under other circumstances be enforceable either by creditors of the Company, by a receiver, by the corporation itself, or in any way whatsoever against any person by reason of his being a promoter, stockholder, director, or officer under any statute or other law now or hereafter in force or against a stockholder by reason of any insufficiency or insufficiencies in the payment of the capital stock; any and all personal liability of every name and nature, present or future, at common law or in equity or otherwise, being hereby expressly released and waived as a condition of, and as part of the consideration for, the execution of this indenture and the issue of the bonds and interest obligations secured hereby.

Waiver of  
personal  
liability of  
stockholders;  
etc.

## ARTICLE XII.

## PROOF OF ACTION BY BONDHOLDERS.

Proof of  
action by  
bondholders.

**Section 1.** Any request or other instrument required by this indenture to be signed or executed by bondholders may be in any number of concurrent instruments of similar tenor, and may be signed or executed by the bondholders in person or by agent or attorney appointed in writing. Proof of the execution of any such request or other instrument, or of a writing appointing any such agent or any attorney, or of the holding by any person of bonds issued hereunder, shall be sufficient for any purpose of this indenture, and shall be conclusive in favor of the Trustee with regard to any action taken by it under such request or other instrument, if made in the following manner, namely:

Execution of  
instruments.

(1.) The fact and date of the execution by any person of any such request, or other instrument or writing, may be proved by the certificate of any notary public or other officer authorized to take acknowledgments of deeds to be recorded in any State within the United States, certifying that the person signing such request or other instrument acknowledged to him the execution thereof, or by the affidavit of a witness to such execution duly sworn to before any such notary public or other officer.

Ownership of  
bearer bonds.

(2.) The amount of bonds transferable by delivery held by any person executing any such request or other instrument as a bondholder, and the amounts, series, and numbers of the bonds held by such person and the date of his holding the same (which holding the Trustee may deem to continue until the Trustee receives notice in writing to the contrary), may be proved by a sworn certificate executed

by the duly authorized officer or representative of any trust company, bank, or other depositary (wherever situated) which certificate may be deemed by the Trustee to be satisfactory, showing that such person had on deposit with such depositary or exhibited to it bonds described in such certificate at the date therein mentioned.

(3.) The ownership of coupon bonds registered as to principal and of registered bonds without coupons may be proved by the books for the registration of such bonds kept at the office or offices of the Company or of its agent or agents.

Ownership of registered bonds.

Provided, however, that the Trustee shall not be bound to recognize any person as a holder of any bond or coupon or to take any action at his request unless such bond or coupon shall be deposited with the Trustee and his title, if disputed, is established satisfactorily to the Trustee.

**Section 2.** Any request, pursuant to any provisions hereof, made by any person, natural or corporate, who by the provisions of this article or of section 22 of article I hereof is treated as the owner of any bond, shall bind all future holders or owners of the same bond, and of all bonds issued in exchange therefor or in lieu thereof, in respect of the matters to which such request relates.

Requests bind subsequent bondholders.

## ARTICLE XIII.

### THE TRUSTEE.

**Section 1.** The Trustee accepts the trusts imposed by this indenture, but only upon and subject to the terms and conditions herein set forth.

Acceptance of trusts.

The Trustee shall have a first lien hereunder prior to the bonds upon all property mortgaged or pledged and

Trustee's lien.

upon all cash held by it under any provision of this indenture for its reasonable compensation, expenses, advances and counsel fees incurred in and about the execution of the trusts hereby created and in the exercise and performance of its powers and duties hereunder and for the cost and expense of defending against any liability in the premises of any character whatsoever, and the Company hereby covenants and agrees to pay the Trustee reasonable compensation for its services in the premises as well as all advances, counsel fees and other expenses made or incurred in and about the execution of the trusts hereby created. The compensation of the Trustee shall not be limited to or by any provision of law in regard to the compensation of a trustee of an express trust.

Trustee need  
not act unless  
notified.

The Trustee shall not be required to take notice or be deemed to have notice of any default hereunder unless specifically notified in writing of such default. The Trustee, prior to notice of default, shall be under no obligation to keep itself informed or advised as to the performance of any of the Company's covenants, conditions and agreements herein contained, but the Trustee may require of the Company full information and advice as to the performance of the covenants, conditions and agreements aforesaid and as to the condition of the mortgaged property, and shall have the right in case of neglect by the Company of any of its obligations hereunder to attend to any matters neglected.

Trustee need  
not defend  
suits unless  
requested and  
indemnified.

The Trustee shall not be under any obligation to enter any appearance by counsel or in any way appear in or defend any suit or proceeding brought against the Trustee by reason of any matter or thing connected with the trusts hereby created unless requested so to do, nor until indemnified to its full satisfaction and provided with funds for so doing, but may in its discretion appear and defend such suit or proceeding without indemnity if it

elects so to do, and in such case it shall be compensated therefor from the trust fund, and the Company covenants and agrees to pay on demand any expenditures or liabilities so incurred by the Trustee.

The Trustee may execute any of the trusts or powers imposed or conferred on it by these presents, and perform any duties required of it, by or through its attorneys, agents or employees, and shall be entitled to take, and act upon, the advice of counsel concerning all matters of the trust hereof, the construction hereof, and its duties hereunder, and may in all cases pay such reasonable compensation as it shall deem proper to all such attorneys, agents and employees as may reasonably be employed in connection with the trusts hereof, and the Company covenants and agrees to pay upon demand all such expenditures and liabilities so incurred.

*Trustee may act by agents.*

The Trustee shall not be liable for any action taken in good faith or believed by it to be within the discretion or power conferred by these presents; and it shall not be responsible for the consequences of any oversight or error of judgment or mistake of fact or of law, nor for any acts or neglects of any person, natural or corporate, employed and selected with reasonable care; but the Trustee shall be answerable only for its own individual bad faith.

*Not liable for action in good faith, or for acts of agents.*

In accepting the conveyance and assignment to it of the mortgaged property, whether property, franchises, rights, securities, leases, contracts, agreements, licenses, permits, or whatever it may be, and whether under this indenture or some indenture supplemental hereto, the Trustee acts solely as trustee hereunder and not in its individual capacity; and any lessor or other party to any lease, contract, agreement, license or permit so conveyed or assigned to the Trustee, and all persons, other than the Company and the holders of bonds secured hereby, having any claim against the Trustee arising by reason of such

*Not personally liable.*

conveyance or transfer, shall look only to the trust fund for payment or satisfaction thereof. The Trustee shall not be personally liable for any debts contracted or for damages to persons or to property or for salaries or for non-fulfilment of contracts during any period in which it may be in the possession of or manage the property as in these presents provided.

Trustee not  
responsible  
for sundry  
matters.

The Trustee shall have no responsibility as to the validity of this indenture nor as to the lien created hereby, nor as to the making, executing, acknowledging, recording, re-recording, filing or renewal hereof, nor as to the amount or adequacy as security of the property mortgaged, nor as to the title thereto, nor as to the transfer to it of property acquired by the Company subsequently to the date hereof. And the recitals herein contained are those of the Company, and not of the Trustee.

Trustee pro-  
tected in act-  
ing on reso-  
lutions, certi-  
ficates, etc. ;

but may  
secure further  
evidence,

The Trustee shall be entitled to receive the resolutions, certificates, opinions of counsel, and other writings herein provided for, as conclusive evidence of the truth of the statements therein contained respectively and as full authority for the taking of any action in accordance therewith under this indenture, and they shall constitute full authority and protection to the Trustee; and in acting pursuant thereto, the Trustee shall be free from liability. The Trustee may accept as proof of facts for the proof of which no specific provisions are herein contained, or as to which it believes that under the circumstances the proof herein prescribed is impracticable or expensive disproportionately to the amounts involved, a certificate of the President and the Treasurer of the Company, and shall also be at liberty to accept a similar certificate to the effect that any particular dealing, transaction or action is necessary or expedient. The Trustee may in its discretion, at the expense of the Company, in every case secure such further evidence as it may think necessary or advisable, but

shall in no case be bound to secure or act upon the same; provided, however, that if requested in writing in any particular case by the holders of fifteen per centum (15%) of all bonds outstanding hereunder, and furnished with adequate security and indemnity against costs and expenses, the Trustee shall make such investigation as may be proper under the circumstances. The Trustee may in relation to these presents act upon the opinion or advice of any attorney, counsel, valuer, surveyor, engineer, accountant or other expert or competent person, whether or not disinterested, and whether retained by the Trustee, the Company, or otherwise, and shall not be responsible for any loss resulting from any action or non-action in accordance with any such opinion or advice.

and shall do  
so if re-  
quested and  
indemnified.

The Trustee shall be protected in acting upon any notice, request, consent, certificate, bond, order, affidavit, opinion, letter, telegram or other paper or document believed to be genuine and correct and to have been signed or sent by the proper person or persons, but the Trustee may, at its own uncontrolled discretion, require further or other evidence as a condition of its taking any action thereon.

No bond shall be required of the Trustee unless ordered by a Court having jurisdiction and for cause shown.

Bond not  
required of  
Trustee.

The Trustee shall not be compelled to do any act hereunder or in respect hereof unless put in funds for the purpose, and indemnified to its reasonable satisfaction against loss, cost, liability and expense.

Trustee need  
not act unless  
indemnified.

The Trustee shall not, nor shall its agents or attorneys, be liable by reason of any entry into possession of the mortgaged property, or any part thereof, to account as mortgagee in possession or for anything except actual receipts, or be liable for any loss on realization or for any default or omission for which a mortgagee in possession might be liable.

Trustee not  
liable as  
mortgagee in  
possession.

The Trustee may become the owner of bonds secured

Trustee may  
own bonds.

hereby, either individually or in any fiduciary or representative capacity, and may act as depositary or trustee for any committee or body of holders of bonds secured hereby, all with the same rights as though not acting as such trustee hereunder.

Trustee's  
powers not  
restricted.

The foregoing provisions in this section contained are intended only for the protection of the Trustee, and shall not be taken to limit or affect any discretion or power given to the Trustee hereunder.

Resignation  
of Trustee.

**Section 2.** The Trustee may at any time resign this trust by written notice specifying the date when such resignation shall take effect, which notice shall be delivered to the Company at least thirty (30) days before the date so specified, or the Trustee may at any time be removed from office by the holders of a majority in interest of the bonds secured hereby and then outstanding by an instrument or concurrent instruments in writing, signed by such holders or by their attorneys in fact, duly authorized, and delivered to the Trustee, a copy or copies thereof being delivered to the Company. In case of such resignation or removal or the incapacity of the Trustee for any reason, a successor may be appointed by the holders of a majority in principal amount of the bonds secured hereby and then outstanding, by an instrument or concurrent instruments in writing signed by such holders or by their attorneys in fact duly authorized; provided, nevertheless, that in case of such vacancy the Company, by an instrument executed by order of its Board of Directors under its corporate seal, may appoint a temporary Trustee to fill such vacancy until a successor Trustee shall be appointed by the bondholders in the manner above provided, and any such temporary Trustee so appointed by the Company shall immediately, and without further act, be superseded by the Trustee so appointed by such bondholders. Every such temporary or

Appointment  
of successor.

successor Trustee shall be an incorporated trust company of recognized standing, in the Borough of Manhattan, City of New York, having a combined capital and surplus of not less than one million five hundred thousand dollars (\$1,500,000), if there be such a corporation willing and able to accept the trust upon reasonable or customary terms.

The Company shall publish a notice of any such appointment of a Trustee once in each week for two successive weeks in one newspaper of general circulation published in Boston, Massachusetts, and in one newspaper of general circulation published in the Borough of Manhattan in the City of New York.

The Company shall cause to be duly recorded an instrument evidencing the removal, resignation, incapacity or appointment of a Trustee. A certificate executed in the name of the Company by its President and Treasurer reciting the facts of any such vacancy or appointment and duly recorded shall be conclusive as to all pertinent statements therein contained.

Any corporation into which the Trustee may be merged or with which it may be consolidated, or any corporation resulting from any merger or consolidation to which the Trustee shall be a party, shall be the successor Trustee under this indenture.

Upon the appointment of any successor to the trust, or upon a successor to the Trustee resulting from consolidation or merger of the Trustee, all the mortgaged property shall immediately and without conveyance or further evidence of transfer vest in such successor, but the outgoing Trustee shall, nevertheless, at the expense of the Company, execute, acknowledge and deliver to its successor such conveyances and transfers, and make such deliveries, as may in the opinion of counsel of the Company be proper to vest or confirm in the new Trustee the mortgaged property.

Mortgaged  
property to  
vest in  
successor.

Trustee  
appointed  
agent of  
bondholders.

How Trustee  
may serve  
notice.

Funds in  
hands of  
Trustee.

Trustee may  
sue without  
possession  
of bonds.

**Section 3.** The Trustee is hereby constituted and appointed the agent and attorney of the holders of bonds secured hereby for the purpose of making any affidavits or declarations or taking any other steps necessary or proper under any present or future law to preserve the full lien and priority of these presents.

**Section 4.** Whenever under these presents the Trustee is called upon to give or serve any notice upon the Company, such notice may be given by the Trustee by depositing in any post-office of the United States of America a copy of such notice, postage prepaid, by registered post, addressed to the Adirondack Power and Light Corporation at the principal place of business of the Company or at its last address known to the Trustee, or by delivering to the President or the Treasurer or to any two Directors of the Company a copy of such notice.

**Section 5.** All sums of money from time to time in the hands of the Trustee under the provisions of this indenture, pending disposition thereof in the manner herein provided, may be deposited by it in its banking department to the credit of the Trustee hereunder, and shall draw interest at the current rate paid by the Trustee upon funds of like character held by it on deposit; and such interest shall, in the absence of default by the Company hereunder, be paid over from time to time to the Company as the same accrues.

**Section 6.** The Trustee shall have the power to institute and to maintain such suits, actions and proceedings as it may be advised shall be necessary or expedient to prevent any impairment of the security hereunder by any acts of the Company or of others in violation of this indenture or unlawful, or to preserve or protect the interests of the Trustee and the security and interest of

the holders of bonds secured hereby in respect of the mortgaged property or any of it, or in respect of the income, earnings, rents, issues and profits thereof, including (but not hereby limiting the foregoing general power) power to institute and maintain suits, actions, or proceedings to restrain the enforcement of or compliance with or observance of any legislative or other governmental enactment, rule or order that may be unconstitutional or otherwise invalid, if such enforcement, compliance or observance would impair the security hereunder or be prejudicial to the interests of the Trustee or of the holders of the bonds secured hereby.

All rights of action and other remedies under this indenture, or which the Trustee may have otherwise, may be enforced by the Trustee without the possession of any of the bonds or coupons secured hereby and without the production thereof on the trial or other proceedings relative thereto, and any such suit, action or proceeding instituted by the Trustee shall be brought in its own name.

## ARTICLE XIV.

### ARBITRATION.

If arbitration shall be applied for or requested, as provided in subsection (3) of section 5 of article III hereof, for the redetermination of the percentage of gross operating revenues specified in said sub-section, the arbitrators shall be appointed and the arbitration shall proceed in the following manner: Within thirty days after the delivery of the application or request referred to in said sub-section (3) the Company shall select one arbitrator, and any holders of ten per centum (10%) in principal amount of the bonds outstanding hereunder may nominate an arbitrator or arbitrators (unless the same bondholders shall have

made such nomination in and by such request) and the Trustee shall select one arbitrator from among those so nominated, or without limitation upon its choice if no such nomination is made within said thirty days. The Company and the Trustee shall notify each other of their selection of arbitrators, and if any bondholders have applied for the arbitration, or joined in the nomination of an arbitrator, or filed with the Trustee a request to be notified, the Trustee shall also notify such bondholders. Within ten days additional after the end of the said first period of thirty days the two arbitrators chosen as aforesaid shall select a third arbitrator. If the third arbitrator shall not be so selected within the said ten days, application may be made by either party to a judge of the United States Circuit Court of Appeals for the Second District, or to such other judge as the two arbitrators previously chosen may agree upon, for the appointment of a competent and disinterested person. In determining any questions before them, said arbitrators may consider any facts or evidence whatsoever which they in their uncontrolled judgment may deem competent or material, and the decision of a majority of said arbitrators shall be conclusive upon all parties in interest hereunder. Any vacancy in the board of arbitration shall be filled in the manner of the original appointment of the arbitrator whose place shall have become vacant. In case the questions submitted for decision shall not be decided by the board of arbitration and their report filed with the parties thereto within sixty days from the date of the selection of the third arbitrator, the arbitrators shall be deemed discharged, and upon request of either party a new arbitration may be had in like manner as aforesaid, subject to the same terms and provisions; provided, however, that if the Company, the Trustee and a majority in principal amount of the bondholders, if any, who applied for any

arbitration or joined in the nomination of an arbitrator therefor shall, by writings filed with the Trustee, request that the time allowed for such arbitration be extended, it shall be extended for the shortest period specified in such requests. The expense of such arbitration shall be forthwith paid by the Company. Until such decision has been rendered by such board of arbitration the Trustee shall be under no obligation to take any action with regard to the matter in issue or controversy, but the provisions of this indenture relating to default shall not be in any manner suspended nor shall the rights of the Trustee or of the bondholders with respect to any acts or proceedings based upon or pursuant to any default be in any manner delayed or otherwise affected pending any such arbitration or by reason thereof.

## ARTICLE XV.

### EFFECT OF MERGER, CONSOLIDATION, ETC.

**Section 1.** Nothing contained in this indenture, or in any bond hereby secured, shall be construed to prevent any consolidation or merger of the Company with or into any corporation lawfully entitled to acquire and operate the mortgaged property, or to prevent any sale, conveyance, transfer or lease subject to this indenture of all the mortgaged property as a whole or substantially as a whole to any such corporation, or to prevent successive similar consolidations, mergers, sales, conveyances, transfers and leases to which the Company or its successor or successors shall be a party or parties; provided however, and the Company covenants and agrees, that if it shall enter into or make any consolidation, merger, sale, conveyance, transfer or lease as a result of which the total outstanding principal amount of divisional lien bonds not deposited with the

If consolidation, etc., causes limit on divisional bonds to be exceeded,

this indenture  
to be closed.

Lien hereof  
not to be  
impaired.

Successor  
corporation  
to assume  
Company's  
obligations.

Trustee hereunder, minus the total amount of money deposited with and then held by the Trustee under section 3 of article IV hereof, would exceed twenty-five per centum (25%) of the aggregate principal amount of all bonds then outstanding hereunder or ten million dollars (\$10,000,000), whichever is the larger amount, then and thereupon it will immediately, by indenture supplemental hereto, close this indenture against the issue of additional bonds hereunder; and provided further that any consolidation, merger, sale, conveyance, transfer or lease shall be upon such terms as in no respect to impair the lien of this indenture, or any of the rights or powers of the Trustee or the bondholders hereunder; and provided, further, that any such lease shall be made expressly subject to termination either by the Trustee at any time during the continuance of a default hereunder or by the purchaser of the property so leased at any sale thereof hereunder, whether such sale be made under the power of sale hereby conferred or under judicial proceedings or otherwise; and provided, further, that, upon any such consolidation, merger, sale, conveyance, transfer or lease, the due and punctual payment of the principal and interest of all of said bonds according to their tenor, and the due and punctual performance and observance of all the terms, covenants, and conditions of this indenture to be kept or performed by the Company, shall be expressly assumed by the corporation which is formed by such consolidation or into which the Company shall be merged, or which shall acquire all the property subject to this indenture as a whole, as aforesaid (herein referred to as a successor corporation), by an indenture supplemental hereto in form satisfactory to the Trustee and to which the Trustee shall be a party, provided, however, that a lessee shall not be required to assume obligations to be performed after the term of the lease.

Such supplemental indenture need not, however, contain

a grant by such successor corporation of its property unless it is sought to issue further bonds hereunder as provided in section 2 of this article, but, if it does not contain a grant, as further security for all bonds secured hereby, of all its property then owned or thereafter acquired, it shall contain:

Grants and  
covenants by  
successor  
corporation.

(a) A grant by such successor corporation confirming the lien of these presents and subjecting to the lien hereof as a first lien, or as a lien subject only to liens affecting the property of the Company before the consolidation, merger, sale, conveyance, or transfer, and necessarily applying thereto, all repairs, renewals, replacements, substitutions, alterations, betterments and improvements upon, of and for the property subject to the lien hereof.

(b) A covenant and stipulation by such successor corporation that all property thereafter acquired by it and necessary to the full and complete performance of any covenant herein contained relating to the upkeep of the property subject to the lien hereof, or of any other covenant hereof, shall be conclusively deemed and taken to be acquired by it in performance of such covenant and to have become subject to the prior lien of these presents;

(c) A covenant and stipulation by such successor corporation to keep the property subject to the lien hereof as far as practicable readily identifiable.

Such supplemental indenture shall in any case stipulate that the Trustee shall not be taken impliedly to waive thereby any rights it would otherwise have.

**Section 2.** In case the Company, pursuant to section 1 of this article, shall be consolidated with or merged into any other corporation, or shall sell, convey or transfer,

Issue of bonds  
by successor  
corporation.

subject to the lien of this indenture, all the mortgaged property as a whole (but not in case of any lease), the corporation resulting from such consolidation, or into which the Company shall have been merged, or which shall have received a conveyance or transfer, as aforesaid,—upon executing and causing to be recorded an indenture with the Trustee, satisfactory to the Trustee, whereby it shall assume and agree to pay the principal and interest of the bonds issued hereunder and secured hereby in accordance with the provisions of said bonds and coupons and this indenture, and shall grant and mortgage as further security for said bonds all property then owned or thereafter to be acquired by it, and shall agree to perform and fulfil all the terms, covenants and conditions of this indenture binding upon the Company,—shall succeed to and be substituted for the Company, with the same effect as if it had been a party hereto as the mortgagor company, and such successor corporation thereupon, and not otherwise, may cause to be signed, issued and delivered, either in its own name or in the name of the Company, and under the corporate seal of either, any or all of such bonds which shall not theretofore have been signed by the Company and certified by the Trustee; and subject to all the terms, conditions and restrictions in this indenture prescribed touching the certification and issuance of bonds, and upon the order of the successor corporation in lieu of the Company, the Trustee shall certify and deliver any of such bonds which shall have been previously signed by the officers of the Company and delivered to the Trustee for certification, and any of such bonds which the successor corporation shall thereafter, in accordance with the provisions of this indenture, cause to be signed and delivered to the Trustee for such purpose; but bonds signed in the name of the successor corporation may at its option be certified and issued in any

or every case in lieu of any bonds previously signed by any predecessor corporation. All the bonds so issued shall in all respects have the same rank and security as the bonds theretofore or thereafter issued in accordance with the terms of this indenture, as though all of said bonds had been issued at the date of the execution hereof. The Company covenants that if bonds are at any time issued in any new name, the Company will provide for the exchange of any bonds previously issued for bonds issued in any such new name, at the option of the holder and without expense to him. The rights of the Company and of the successor corporation to apply for the issue of bonds hereunder in respect of the property owned by the successor corporation at the time of such consolidation, merger, sale, conveyance or transfer, and all other rights and duties of the Company and of the successor corporation in respect of such property and otherwise, shall be the same as the rights and duties of the Company would have been had it acquired such property by purchase.

**Section 3.** Nothing herein contained shall be construed to prevent the Company from acquiring all the works, systems, franchises, property and other assets, and assuming all the liabilities, of the Adirondack Electric Power Corporation or of the Kanes Falls Electric Company.

Company  
may acquire  
certain  
properties.

**Section 4.** The Trustee shall be furnished with a certificate of counsel (who may be of counsel to the Company) appointed by the Company and acceptable to the Trustee, which certificate the Trustee may receive as conclusive evidence that the provisions and conditions of the foregoing sections 1 and 2, or either of them, of this article have been complied with.

Certificate  
of counsel.

*Article XV.—Article XVI. 132*

Sale and  
release by  
successor  
corporation.

**Section 5.** Any successor corporation, on compliance with the provisions of article X hereof, shall be entitled to the benefit of said article in the same manner and to the same extent as the Company.

ARTICLE XVI.

DISCHARGE.

These presents shall become void

(a) If the Company shall at any time call all the bonds then outstanding hereunder, giving notice and providing payment in full in accordance with the terms of the several bonds and of such provisions hereof as shall be applicable, or

(b) If the Company shall well and truly pay and discharge at the maturity thereof the principal and interest of all bonds then outstanding hereunder in the manner provided therefor in the several bonds, or pay to the Trustee a sum of money sufficient for that purpose, or

(c) If the Company shall at any time deliver to the Trustee cancelled all the bonds and coupons then outstanding hereunder;

(d) But only if in each and every such case the Company shall have paid to the Trustee any and all sums due to the Trustee under the provisions of this indenture;

and then and in each and every such case the estate, right and title of the Trustee hereby created shall utterly cease and determine, and, if the Company shall so request, the

Trustee shall execute to the Company a good and sufficient release and discharge in law of this indenture and of the lien hereby created, and shall restore and surrender to the Company possession of any property of which it shall have taken possession and which it shall not have sold under and by virtue of these presents; but otherwise and until such payment and performance these presents shall be and remain in full force and effect.

## ARTICLE XVII.

### DEFINITIONS AND MISCELLANEOUS PROVISIONS.

**Section 1.** Except where the context or some specific provision requires a different meaning

(a) The term "Company" means Adirondack Power and Light Corporation, the mortgagor named herein, or any corporation resulting from the consolidation or merger of the Company with any other corporation, or any other successor corporation as herein in Article XV provided.

(b) The term "Trustee" means Guaranty Trust Company of New York, the Trustee herein named, or its successor as Trustee hereunder for the time being.

(c) The term "mortgaged property" means the property covered by the lien of this indenture for the time being. <sup>"Mortgaged property."</sup>

(d) The term "additional property" means property of the character described in article III hereof. <sup>"Additional property."</sup>

(e) The terms "this indenture," "this mortgage or deed of trust," etc., and "herein," "hereof," "hereby," "hereunder," "hereinbefore," "hereinafter" refer to this indenture and not to a particular article, section, subsection, subdivision or other portion thereof, and references to this indenture shall be understood to include also <sup>"This indenture," etc. ; "herein," "hereof," etc.</sup>

any and all indentures and mortgages supplemental thereto.

"Divisional  
liens."

(f) The term "divisional liens" means mortgages, liens and encumbrances (except taxes for the current year), of any character whatever, which are or may be superior to the lien of this indenture on any property subject to the lien of this indenture.

"Divisional  
lien bonds."

(g) References to property as being subject to a divisional lien mean that such property is subject to such lien as a lien prior to that of this indenture.

"Refundable  
divisional  
liens."

(h) The term "divisional lien bonds" means the obligations, of whatever character, secured by divisional liens.

"Refundable  
divisional  
lien bonds."

(i) The term "refundable divisional liens" means divisional liens in respect of which money shall have been deposited or bonds withheld under the provisions of section 3 of article IV hereof to an aggregate amount equal to the aggregate principal amount of the outstanding divisional lien bonds secured by such divisional liens, and means also the mortgages or deeds of trust referred to in section 6 of said article IV.

Withdrawal  
of moneys.

(j) The term "refundable divisional lien bonds" means the obligations, of whatever character, secured by refundable divisional liens.

"Treasurer."

(k) References to the withdrawal of moneys from the trustee or mortgagee under any divisional lien include the withdrawal of any securities from such trustee or mortgagee as well as the withdrawal of cash.

"Acquired  
plants or  
systems."

(l) The term "Treasurer," when referring to the Treasurer of the Company, means the Treasurer of the Company and also, while acting within the scope of the powers conferred on him by law or by the by-laws of the Company or by action of its Board of Directors, any Assistant Treasurer of the Company.

(m) The phrase "acquired plants or systems" or "ac-

quired plant or system" means any plant or system purchased or acquired by the Company which when so purchased or acquired shall be used or capable of use for any of the primary or principal purposes of the Company's business, but shall not include either additions thereto or extensions thereof constructed or installed by the Company after the purchase or acquisition thereof or plants or systems originally constructed or installed by the Company.

**Section 2.** (a) This indenture shall bear date of the <sup>Date.</sup> first day of March, 1920, and shall be valid and effectual from that date, although executed on July 20, 1920; and

(b.) The bonds issued hereunder shall be valid and effectual after the certification thereof respectively by the Trustee, although executed on a day later than their date.

**Section 3.** The Company may execute and file with the <sup>Supplemental  
indentures.</sup> Trustee, and the Trustee at the request of the Company shall join in, indentures supplemental hereto, to close this indenture against or restrict the issue of additional bonds hereunder, and add hereto provisions for a sinking fund or for an improvement fund or both, and further restrictions upon the outstanding amount of divisional lien bonds, and other limitations and conditions in addition to those herein contained, whether applicable in respect of all bonds issued and to be issued hereunder or in respect of one or more series thereof or otherwise; provided, however, that nothing in this section shall prevent or affect the exercise, in regard to any such supplemental indenture, of the jurisdiction of the Public Service Commission of the State of New York having jurisdiction in the premises; and the Company hereby covenants that it will fully perform all the requirements of any such supplemental indentures which may be in effect from time to time. No

restriction or obligation imposed hereby or by any supplemental indenture upon the Company may be waived or modified by such supplemental indentures or otherwise.

This indenture to benefit only parties and bond-holders.

**Section 4.** Nothing in this mortgage or deed of trust or in the bonds issued hereunder, expressed or implied, is intended, or shall be construed, to give to any person or corporation, other than the parties hereto and the holders of bonds secured hereby, any legal or equitable right, remedy, or claim under or in respect of this mortgage or deed of trust, or under any covenant, condition or provision herein contained; all its covenants, conditions and provisions being intended to be and being for the sole and exclusive benefit of the parties hereto and of the holders of the bonds hereby secured.

Bonds may have independent security.

**Section 5.** Nothing in this indenture or in the bonds issued hereunder, expressed or implied, is intended, or shall be construed, to prevent any bond secured hereby from having also any independent security or guaranty or the benefit of any covenants or agreements outside this indenture, concerning which a notation may or may not be endorsed thereon, and the references herein or in the bonds to the equal security hereunder of all bonds secured hereby shall not be deemed applicable to such independent security, guaranty, covenants or agreements.

Different officers, etc. may make certificates.

**Section 6.** The same officer or officers of the Company, or the same engineer or counsel or other person as the case may be, need not certify to all the matters required to be certified under the provisions of any article, section, subsection or other portion hereof, but different officers, engineers, counsel or other persons may certify to different facts respectively.

**Section 7.** The titles of articles, any marginal notes, any table of contents, and the cover of this indenture are inserted for convenience only and are not a part of this indenture or to be used in the construction hereof.

Marginal  
notes, table  
of contents,  
etc.

**Section 8.** If at any time the aggregate outstanding principal amount of divisional lien bonds shall not exceed one-half of one per centum of the principal amount of all bonds outstanding hereunder, then, in the discretion of the Company, this indenture may be known as a First Mortgage and the bonds of any series subsequently issued hereunder, whether by way of exchange, transfer or otherwise, may be designated as First Mortgage Gold Bonds.

When First  
Mortgage  
Bonds may  
be issued.

**Section 9.** The provisions of each section and clause of this article shall apply to the construction of the whole indenture, including all sections and clauses of this article.

Application  
of this article.

**Section 10.** Pursuant to Section 259 of the Tax Law of the State of New York, the Company hereby certifies that the amount which at the time of the execution and delivery of this indenture is advanced or has accrued hereon or has become secured hereby is the sum of five million six hundred twenty thousand dollars (\$5,620,000).

\$5,620,000  
advanced or  
accrued  
hereon.

IN WITNESS WHEREOF Adirondack Power and Light Corporation has caused this indenture to be executed in its name and behalf by its Vice President and its Treasurer thereto duly authorized, and its corporate seal to be affixed and attested by its Treasurer, and Guaranty Trust Company of New York has caused this indenture to be executed in its name and behalf by a Vice-President and an Assistant Secretary thereto duly authorized and its corporate seal to be affixed and attested by an Assistant

Testimonium.

Secretary under date of the day and year first above written.

Executed in fifteen original counter parts.

ADIRONDACK POWER AND LIGHT CORPORATION.

By

HENRY W. PECK,  
*Vice President.*

[CORPORATE  
SEAL] And by

DARIUS E. PECK,  
*Treasurer.*

Attest

DARIUS E. PECK,  
*Treasurer.*

Signed, sealed and delivered by  
Adirondack Power and Light  
Corporation in presence of

RICHARD S. PATTEE.

GUARANTY TRUST COMPANY OF NEW YORK.

By

E. C. HEBBARD,  
*Vice-President.*

[CORPORATE  
SEAL] And by

J. D. HERR,  
*Assistant Secretary*

Attest

E. P. DAVIS,  
*Assistant Secretary.*

Signed, sealed and delivered by  
Guaranty Trust Company of New  
York in presence of

JOHN A. LYON.

STATE OF NEW YORK }  
COUNTY OF SCHENECTADY } SS.

On the 20th day of July in the year 1920, before me personally came Henry W. Peck and Darius E. Peck, to me known, who being by me duly and severally sworn did depose and say that they reside in Schenectady and in Schenectady, respectively; that they are the Vice-President and Treasurer respectively of the Adirondack Power and Light Corporation, the corporation described in and which executed the above instrument; that they know the seal of said corporation; that the seal affixed to said instrument is such corporate seal; that it was so affixed by order of the Board of Directors of said corporation; and that they signed their names thereto by like order.

**Acknowledg-  
ment by  
Company.**

[NOTARIAL  
SEAL]

H. C. HAMMER,  
Notary Public.

CLERK'S OFFICE }  
COUNTY OF SCHENECTADY } SS.  
STATE OF NEW YORK }

No. 4120

I, George T. Bradt, Clerk of the said County, and also Clerk of the Supreme and County Courts, being courts of Record held therein, do hereby certify that H. C. Hammer whose name is subscribed to the Certificate of proof or acknowledgment of the annexed instrument, and thereon written, or whose name is subscribed to the annexed jurat, was at the time of taking such proof or acknowledgment or of administering such oath or affirmation, a Notary Public in and for said County, residing therein, duly commissioned and sworn, and authorized by the laws of said State to take the acknowledgments and proofs of deeds or conveyances, for land, tenements, or hereditaments and to administer oaths or affirmations in said County. And further, that I am well acquainted with the handwriting of said officer and verily believe that the signature to said jurat or certificate of proof or acknowledgment is genuine.

(SEAL)

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the seal of said Courts and County, the 22 day of July, 1920.

GEO. T. BRADT, *Clerk.*

STATE OF NEW YORK      }  
 COUNTY OF NEW YORK      } ss.

Acknowledg-  
ment by  
Trustee.

On the 21st day of July, in the year 1920, before me personally came E. C. Hebbard and J. D. Herr & E. P. Davis, to me known, who being by me duly and severally sworn did depose and say that they reside in Upper Montclair, N.J., Ridgewood, N.J., and in Brooklyn, N.Y., respectively; that they are the Vice-President and Assistant Secretaries respectively of the Guaranty Trust Company of New York, the corporation described in and which executed the above instrument; that they know the seal of said corporation; that the seal affixed to said instrument is such corporate seal; that it was so affixed by order of the Board of Directors of said corporation; and that they signed their names hereto by like order.

[NOTARIAL  
SEAL]

JOHN A. LYON,  
Notary Public.  
Bronx Co. Clk's No. 64, Reg. N. 2157  
N.Y. Co. Clk's No. 341, Reg. No. 1391  
Commission expires March 30, 1921

STATE OF NEW YORK      } ss.  
 COUNTY OF NEW YORK      }

No. 33656 Series B

(SEAL)

I, William F. Schneider, Clerk of the County of New York, and also Clerk of the Supreme Court in and for said county, do HEREBY CERTIFY, That said Court is a Court of Record having by law a seal; that John A. Lyon whose name is subscribed to the annexed certificate or proof of acknowledgment of the annexed instrument was at the time of taking the same a Notary Public acting in and for said county, duly commissioned and sworn, and qualified to act as such; that he has filed in the Clerk's Office of the County of New York a certified copy of his appointment and qualification as Notary Public for the County of Bronx with his autograph signature; that as such Notary Public he was duly authorized by the laws of the State of New York to protest notes; to take and certify depositions; to administer oaths and affirmations; to take affidavits and certify the acknowledgment and proof of deeds and other written instruments for lands, tenements and hereditaments, to be read in evidence or recorded in this state; and further, that I am well acquainted with the handwriting of such Notary Public and verily believe that his signature to such proof or acknowledgment is genuine. IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the seal of said Court at the City of New York, in the County of New York, this 21 day of July, 1920.

WM. F. SCHNEIDER, Clerk.

United States Internal Revenue stamps in the proper amount with respect to the bonds now to be issued under this mortgage or deed of trust have been affixed to and cancelled upon that counterpart original of this said mortgage or deed of trust which is on file with the Trustee.

## CERTIFICATE OF CONSENT OF STOCKHOLDERS.

We, Henry W. Peck, Vice-President, and Darius E. Peck, Secretary, of the Adirondack Power and Light Corporation, a corporation organized and existing under the laws of the State of New York, having its principal place of business in the City of Schenectady, County of Schenectady, State of New York, hereby certify that the holders of all the capital stock of the said Adirondack Power and Light Corporation have given their consent to the mortgage or deed of trust made and executed by the said corporation to the Guaranty Trust Company of New York, as Trustee, bearing date the first day of March, 1920, and that such consent was given by such stockholders in writing, pursuant to the provisions of Section 6 of the Stock Corporation Law, which writing was signed and acknowledged by all of said stockholders and is in the following form, viz:

WE, the undersigned stockholders of the ADIRONDACK POWER AND LIGHT CORPORATION, a stock corporation organized and existing under and by virtue of the laws of the State of New York, having an outstanding capital stock of two million eighty thousand (2,080,000) dollars, and being all the stockholders of said corporation and owning all of the outstanding capital stock of said corporation,

DO HEREBY CONSENT that said corporation may make, execute and deliver a mortgage or deed of trust, dated the first day of March, 1920, to Guaranty Trust Company of New York, as Trustee, upon all the property, rights and franchises of the corporation, whether now owned or hereafter acquired, with the exceptions therein stated. Such mortgage or deed of trust may secure the payment of bonds of various dates, maturities and interest rates, to be issued thereunder, in coupon or fully registered form, to an unlimited authorized principal amount, and may also secure the performance of all the terms and conditions of said

Certificate of  
consent of  
stockholders.

mortgage or deed of trust. And said mortgage or deed of trust may be in substantially the form of the printed draft filed with the Secretary and identified by his endorsement thereon as follows: "Draft of mortgage submitted to stockholders for their consent. Attest, Darius E. Peck, Secretary," or in any other form which the Board of Directors may approve.

We further certify that the mortgage which has been made and executed as aforesaid, dated the first day of March, 1920, is in the form of the draft filed with the Secretary referred to in the foregoing consent.

IN WITNESS WHEREOF the seal of the Adirondack Power and Light Corporation has been hereto affixed and we, the said Vice-President and Secretary, have subscribed and acknowledged this certificate the 20th day of July, 1920.

[CORPORATE  
SEAL]

HENRY W. PECK, *Vice-President.*

DARIUS E. PECK, *Secretary.*

STATE OF NEW YORK      }  
 COUNTY OF SCHENECTADY } SS.

Henry W. Peck and Darius E. Peck, being severally sworn, depose and say, each for himself, that the said Henry W. Peck is the Vice-President and the said Darius E. Peck is the Secretary of the Adirondack Power and Light Corporation; that they know the seal of said corporation; that the seal affixed to the foregoing instrument is such corporate seal; and that it was so affixed by authority of the Board of Directors of said corporation.

HENRY W. PECK

DARIUS E. PECK

Subscribed and sworn to before me this 20th day of July, 1920.

(NOTARIAL  
SEAL)

H. C. HAMMER  
Notary Public,  
Schenectady County, New York.

CLERK'S OFFICE      }  
 COUNTY OF SCHENECTADY } SS.  
 STATE OF NEW YORK      }

No. 4121

I, George T. Bradt, Clerk of the said County, and also Clerk of the (SEAL) Supreme and County Courts, being courts of Record held therein, do hereby certify that H. C. Hammer whose name is subscribed to the Certificate of proof or acknowledgment of the annexed instrument, and thereon written, or whose name is subscribed to the annexed jurat, was at the time of taking such proof or acknowledgment or of administering such oath or affirmation, a Notary Public in and for said County, residing therein, duly commissioned and sworn, and authorized by the laws of said State to take the acknowledgments and proofs of deeds or conveyances, for land, tenements, or hereditaments and to administer oaths or affirmations in said County. And further, that I am well acquainted with the handwriting of said officer and verily believe that the signature to said jurat or certificate of proof or acknowledgment is genuine.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the seal of said Courts and County, the 22 day of July, 1920.

GEO. T. BRADT, Clerk.

STATE OF NEW YORK      }      ss.  
 COUNTY OF SCHENECTADY }      ss.

On this 20th day of July, 1920, before me personally came Henry W. Peck and Darius E. Peck, to me known and known to me to be the Vice-President and Secretary, respectively, of the Adirondack Power and Light Corporation, and the persons described in and who made and signed the foregoing certificate, and severally duly acknowledged to me that they had made, signed and executed the same for the uses and purposes therein set forth.

(NOTARIAL  
SEAL)

H. C. HAMMER

Notary Public,  
Schenectady County, New York.

CLERK'S OFFICE      }      ss.  
 COUNTY OF SCHENECTADY }      ss.  
 STATE OF NEW YORK      }      ss.

No. 4096

(SEAL) I, George T. Bradt, Clerk of the said County, and also Clerk of the Supreme and County Courts, being courts of Record held therein, do hereby certify that H. C. Hammer whose name is subscribed to the Certificate of proof or acknowledgment of the annexed instrument, and thereon written, or whose name is subscribed to the annexed jurat, was at the time of taking such proof or acknowledgment or of administering such oath or affirmation, a Notary Public in and for said County, residing therein, duly commissioned and sworn, and authorized by the laws of said State to take the acknowledgments and proofs of deeds or conveyances, for land, tenements, or hereditaments and to administer oaths or affirmations in said County. And further, that I am well acquainted with the handwriting of said officer and verily believe that the signature to said jurat or certificate of proof or acknowledgment is genuine.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the seal of said Courts and County, the 22 day of July, 1920.

GEO. T. BRADT, *Clerk.*

Recording Tax Receipt.

State of New York, County of Schenectady, ss:

I do hereby certify that I have received on the within Mortgage \$28100.00 being the amount of the Recording Tax imposed thereon, and paid at the date of the recording thereof.

Dated July 22, 1920

GEO. T. BRADT  
*Recording Officer of Schenectady Co. N.Y.*

## MORTGAGE DATED MARCH 1, 1920, RECORDED:

STATE OF NEW YORK,      }  
 SCHENECTADY COUNTY      } S.S.

Recorded on the 22nd day of  
 July 1920 at 11:27 o'clock  
 A.M., in Book 244 of Mortgages  
 at page 190 and examined.

GEO. T. BRADT *County Clerk*

STATE OF NEW YORK      }  
 SARATOGA COUNTY CLERK'S OFFICE      } SS.

RECORDED ON THE 22ND DAY OF JULY  
 1920 AT 1:50 O'CLOCK P.M., IN  
 BOOK 224 OF MORTGAGES, AT PAGE  
 82.

JOHN F. HENNESSY *Clerk*

STATE OF NEW YORK  
 RENSSELAER COUNTY, SS.

RECORDED ON THE 22 DAY OF  
 JULY, 1920 AT 2:30 O'CLOCK  
 P.M. IN LIBER 401 OF MORTGAGES  
 AT PAGE 170 AND EXAMINED.

HANS DAHL *Clerk*

ALBANY COUNTY: SS

RECORDED IN THE CLERK'S  
 OFFICE ON THE 22ND DAY OF JULY,  
 1920 AT 3:25 P.M. BOOK 660 OF  
 MORTGAGES, ON PAGE 1 AND EXAMINED.

L. C. WARNER *Clerk*

STATE OF NEW YORK,  
FULTON COUNTY,

Recorded on the 22nd day  
of July 1920 at 3:29 o'clock  
P.M., in Book 129 of Mortgages  
at page 1 and examined.

EGBERT T. CROSS *Clerk*

## WASHINGTON COUNTY, SS.

RECORDED ON THE 22ND DAY OF  
JULY, 1920 AT 3:38 O'CLOCK P.M.  
IN LIBER 131 OF MORTGAGES, AT  
PAGE 390 AND EXAMINED.

G. W. CURRY *Clerk*

STATE OF NEW YORK      }  
MONTGOMERY COUNTY      } ss.

Recorded on the 22 day  
of July, 1920 at 4 o'clock  
P.M. in Liber 160 of Mort-  
gages at page 7 and examined.

HARRY D. LODER, *Clerk.*

## HERKIMER COUNTY, SS.

Recorded on the 22 day of July  
1920 at 4:30 o'clock P.M. in  
Liber 177 of Mortgages at page  
90 and examined

GEORGE HESSLER, JR., *Special Deputy Clerk*

ONEIDA COUNTY, SS.

RECORDED ON THE 26 DAY OF  
JULY, 1920 AT 3:50 O'CLOCK  
P.M., IN LIBER 506 OF MORT-  
GAGES PAGE 379 AND EXAMINED.

CHAS. WENZEL *Clerk*

WARREN COUNTY, SS.

Recorded on the 26th day of  
July 1920, at 4:45 o'clock P.M.,  
in Liber 89 of Mortgages, at  
page 125 and examined.

E. C. SISSON *Clerk*

STATE OF NEW YORK,  
MADISON COUNTY CLERK'S OFFICE, SS

RECORDED ON THE 27TH DAY OF JULY,  
1920, AT 9:30 O'CLOCK A.M. IN  
LIBER 156-A OF MORTGAGES AT PAGE  
102 AND EXAMINED.

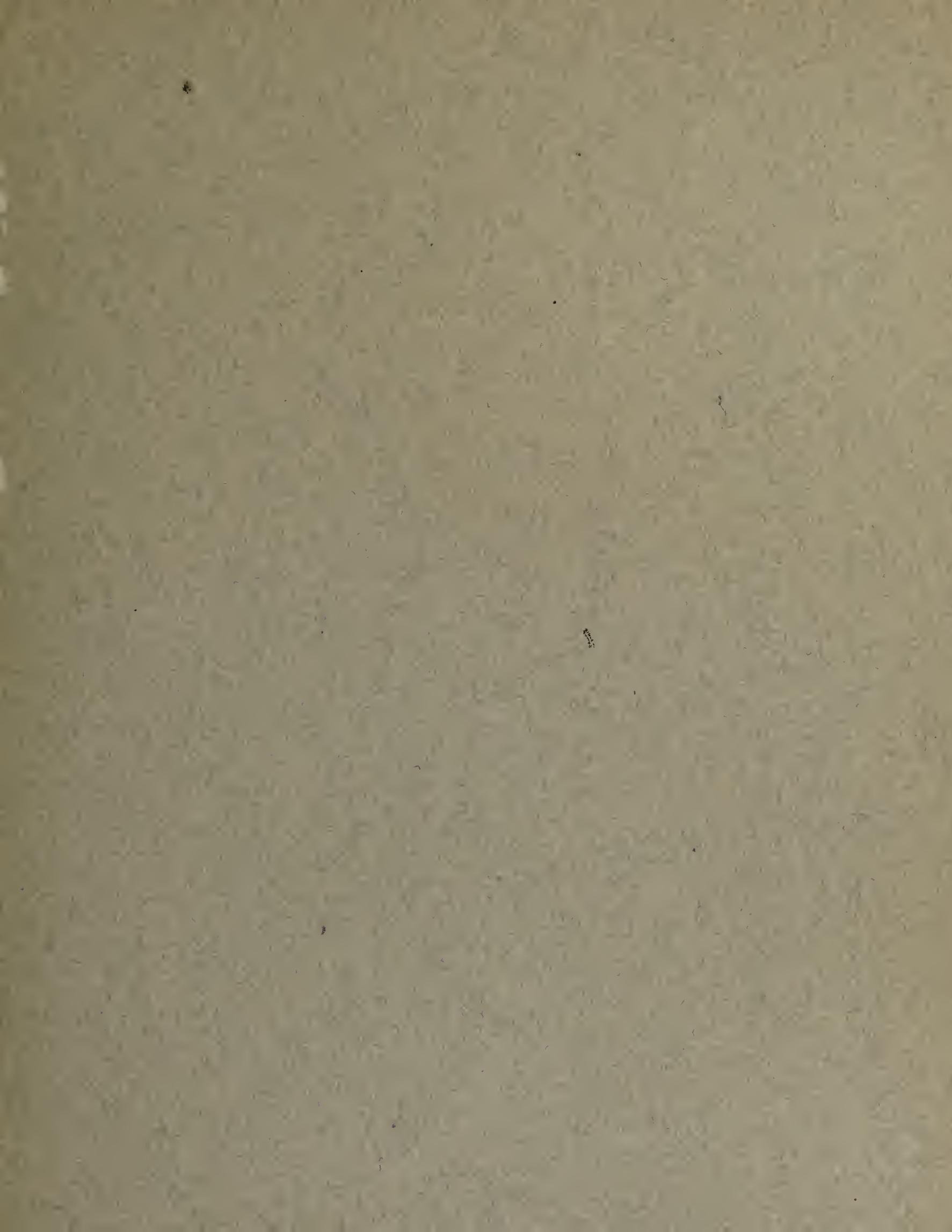
LEONARD L. SAUNDERS *Clerk*

SCHOHARIE COUNTY, SS.

RECORDED ON THE 27TH DAY OF JULY,  
1920 AT 12 O'CLOCK M IN BOOK 87  
OF MTGS. AT PAGE 130 AND EXAMINED.

BLANCHE HUNTER BORST *Clerk*







THIS FIRST SUPPLEMENTAL INDENTURE dated the twenty-third day of July, 1920, by and between the First  
Supplemental  
Indenture.  
ADIRONDACK POWER AND LIGHT CORPORATION, a corporation duly organized and existing under the laws of the State of New York, party of the first part (hereinafter called the "Company"), and GUARANTY TRUST COMPANY OF NEW YORK, a corporation organized and existing under the laws of the State of New York and having its principal place of business in the Borough of Manhattan, City of New York, party of the second part (hereinafter called the "Trustee"),

WITNESSETH THAT

WHEREAS under date of March 1, 1920, the Company executed to the Trustee a certain indenture of mortgage or deed of trust to secure an issue of first and refunding mortgage gold bonds, unlimited as to principal amount outstanding at any one time, which indenture has been or is presently to be recorded in the offices of the County Clerks of the following counties in the State of New York, namely, Albany, Fulton, Herkimer, Madison, Montgomery, Oneida, Rensselaer, Saratoga, Schenectady, Schoharie, Warren and Washington; and

WHEREAS in and by said indenture of mortgage or deed of trust the Company granted, bargained, sold, conveyed, transferred, assigned, remised, released, mortgaged, set over and confirmed unto the Trustee, its successors and assigns, all the real and personal property, franchises and privileges then owned or thereafter acquired by the Com-

pany (excepting, however, any and all shares of stock and other certificates or evidences of interest, and bonds, notes and other evidences of indebtedness, of any person, firm, corporation or association, and the interest and indebtedness represented thereby, which are not specifically embraced in said mortgage or in an indenture supplemental thereto or actually deposited with the Trustee); and further agreed to do, make, acknowledge and deliver all and every such acts, deeds and assurances as may be reasonably required by the Trustee for subjecting to the lien of said mortgage or deed of trust any property thereafter acquired by it; and

Acquisition  
of Adirondack  
Electric  
Power  
Corporation  
properties.

WHEREAS the Company has since the execution and delivery of said indenture of mortgage or deed of trust acquired all the works, systems, franchises, property and other assets of the Adirondack Electric Power Corporation; and

WHEREAS the Trustee, under and by virtue of section 3 of article IX of said indenture of mortgage or deed of trust has requested the Company to make, acknowledge and deliver to the Trustee a supplemental mortgage or deed of trust conveying all the works, systems, franchises, property and other assets of the Adirondack Electric Power Corporation acquired by the Company since the execution and delivery of said indenture of mortgage or deed of trust; and

WHEREAS the Company by due action of its board of directors has duly resolved to make this supplemental mortgage or deed of trust upon its property, and the written consent of stockholders owning at least two-thirds (2/3) of the capital stock of the Company has been duly given to the execution and delivery hereof, and a certificate under the seal of the Adirondack Power and Light Corporation that such consent was so given, subscribed and acknowl-

edged by the Vice-President and Secretary of the Company, a duplicate original of which certificate is hereto annexed, will be filed and recorded simultaneously with the recording of this indenture in the office of the County Clerk of the County of Schenectady, New York, that being the county in which the Company has its principal place of business; and

WHEREAS the Public Service Commission in the Second District of the State of New York has duly authorized the execution of this supplemental mortgage or deed of trust and has approved the form hereof,—

Now, THEREFORE, in consideration of the premises and of one dollar and other valuable consideration to it paid by the Trustee, the receipt whereof is hereby acknowledged, the Company has granted, bargained, sold, conveyed, transferred, assigned, remised, released, mortgaged, set over and confirmed, and by these presents does grant, bargain, sell, convey, transfer, assign, remise, release, mortgage, set over and confirm unto the Trustee, its successors and assigns, all the real and personal property, franchises and privileges now owned by the Company and which were acquired by it since the delivery and execution of said indenture of mortgage or deed of trust, including particularly, and without restricting the generality of the foregoing, all the property, rights, titles or interests of the Company formerly owned by the Adirondack Electric Power Corporation, more fully described in, and conveyed by, a deed by the Adirondack Electric Power Corporation to the Adirondack Power and Light Corporation, of even date herewith, and recorded, or to be recorded, among other places, in the offices of the Clerks of the Counties of Albany, Fulton, Herkimer, Madison, Montgomery, Oneida, Rensselaer, Saratoga, Schenectady, Schoharie, Warren and Washington in the State of New York.

Granting clause.

Description:  
Adirondack  
Electric  
Power  
Corporation  
properties.

The property conveyed hereby comprises, among other things, three hydro-electric plants with their appurtenant water rights, one steam plant, two gas plants, and certain transmission lines, sub-stations and distribution systems, all with their appurtenant franchises and auxiliary apparatus, substantially as follows:

*Spier Falls hydro-electric plant.* On the Hudson River about twelve miles above Glens Falls. Masonry dam, steel penstocks, brick and steel power house on concrete foundation, installed generating capacity of approximately 14,650 kilowatts and auxiliary apparatus.

*Mechanicville hydro-electric plant.* On the Hudson River about twenty miles above Albany. Concrete dam, brick and steel power house on concrete foundation, concrete penstocks, installed generating capacity of approximately 5450 kilowatts and auxiliary apparatus.

*Schoharie hydro-electric plant.* On Schoharie Creek, about seven miles southwest of Amsterdam. Masonry dam; steel penstocks; brick and steel power house, wood roof, concrete foundations; installed generating capacity of approximately 1300 kilowatts and auxiliary apparatus.

*Utica steam plant.* At Utica. Brick, steel and concrete buildings, installed generating capacity of approximately 6,000 kilowatts and auxiliary apparatus.

*Transmission Lines:*

Amsterdam to Little Falls, Little Falls to Utica, Utica to Clark's Mills, Clark's Mills to Oneida, Glens Falls to Spier Falls, Spier Falls to Ballston, Saratoga Tap, Ballston to Newtown, Ballston to Alplaus, Alplaus to Newtown, Newtown to Watervliet, Newtown to Mechanicville, Ballston to Amsterdam, Mechanicville to Watervliet, Watervliet to Troy, Watervliet to No. Albany, Watervliet to Ludlum Steel Co., D. & H. Plant to Mechanicville, Watervliet to Arsenal, Schoharie to Amsterdam, Oneida to Canastota.

*Sub-stations:*

Amsterdam. Approximately 11,550 kilowatts capacity.  
Little Falls. Building not owned by Company. Approximately 750 kilowatts capacity.  
Mohawk. Building not owned by Company. Approximately 1200 kilowatts capacity.

Frankfort. Building not owned by Company. Approximately 1500 kilowatts capacity.

Utica. In steam plant. Approximately 950 kilowatts capacity.

Oneida. Approximately 825 kilowatts capacity.

Glens Falls. Approximately 3050 kilowatts capacity.

Saratoga. Approximately 1370 kilowatts capacity.

Ballston. Approximately 900 kilowatts capacity.

Watervliet. Approximately 18,000 kilowatts capacity.

Lake George. Building not owned by Company. Approximately 75 kilowatts capacity.

Oriskany. Building not owned by Company. Approximately 600 kilowatts capacity.

Canastota. Approximately 300 kilowatts capacity.

Sherrill. Building not owned by Company. Approximately 1248 kilowatts capacity.

*Distribution Systems:*

In Glens Falls, Saratoga, Ballston, Lake George, Watervliet, Cohoes, Amsterdam, Oneida, Canastota, Oriskany, Wampsville, Frankfort, Mechanicville.

*Saratoga Gas Plant.* In Saratoga. Brick buildings with wood or slate roofs, water gas installation. Oil tanks 60,000 gallon capacity; one 30,000 cubic foot and one 50,000 cubic foot steel tank; one 50,000 cubic foot and one 60,000 cubic foot masonry tank in brick house.

*Oneida Gas Plant.* In Oneida. Brick buildings, coal gas installation. One 26,000 cubic foot and one 100,000 cubic foot holder.

*Gas Distribution Systems:*

In Saratoga and Oneida.

Together with all and singular the lands, rights of way, plants for the manufacture and generation of gas and electricity, easements, franchises, leases, contracts, buildings, dams, water rights, flowage rights and riparian rights, substations, machinery of every kind, poles, wires, transmission systems, mains, pipes, distributing systems and all other steam, electrical, gas and mechanical apparatus, together with tools, fixtures, supplies, equipment, materials, works and all other things in anywise belonging to or appurtenant to, forming a part of, or used or intended to be used for or in connection with, any of the property afore-

said, and whether now owned or hereafter acquired by the Company, and all rights to compensation upon the termination in any manner of public grant, and all rights, privileges, immunities, franchises and property of the Company of every name and nature.

EXPRESSLY EXCEPTING AND RESERVING, however, from the property hereinbefore mentioned or described as being conveyed hereby, any and all shares of stock and other certificates or evidences of interest, and bonds, notes and other evidences of indebtedness, of any person, firm, corporation or association, and the interest and indebtedness represented thereby, which are not specifically embraced in an indenture supplemental to the aforesaid indenture of mortgage or deed of trust or actually deposited with the Trustee.

TO HAVE AND TO HOLD all and singular the property aforesaid, the rights, privileges, franchises and immunities aforesaid, and all property which shall become subject to this indenture, unto the Trustee, its successors and assigns in the trust hereof, to its and their own use and behoof forever; BUT IN TRUST, NEVERTHELESS, for the equal pro rata benefit of the holders of the bonds certified, issued and to be issued under said indenture of mortgage or deed of trust dated March 1, 1920, and upon and for the trusts, uses and purposes and subject to all the covenants, conditions and provisions therein set out, and otherwise in all respects as provided in said indenture of mortgage or deed of trust, reference to which is hereby made.

This indenture shall bear date of the twenty-third day of July, 1920, and shall be valid and effectual from that date, although executed on July 27, 1920.

IN WITNESS WHEREOF Adirondack Power and Light Corporation has caused this indenture to be executed in its name and behalf by its Vice-President and its Treasurer

thereto duly authorized, and its corporate seal to be affixed and attested by its Treasurer, and Guaranty Trust Company of New York in token of its acceptance hereof has caused this indenture to be executed in its name and behalf by a Vice-President and an Assistant Secretary and its corporate seal to be affixed and attested by an Assistant Secretary under date of the day and year first above written.

Executed in fourteen original parts.

ADIRONDACK POWER  
AND LIGHT CORPORATION,

[CORPORATE  
SEAL]

By

ELMER J. WEST,  
*Vice-President,*

and by

DARIUS E. PECK,  
*Treasurer.*

Attest:

DARIUS E. PECK,  
*Treasurer.*

GUARANTY TRUST COMPANY  
OF NEW YORK,

[CORPORATE  
SEAL]

By

F. J. H. SUTTON,  
*Vice-President,*

and by

E. P. DAVIS,  
*Assistant Secretary.*

Attest:

E. P. DAVIS,  
*Assistant Secretary.*

STATE OF NEW YORK      }  
 COUNTY OF SCHENECTADY    }    ss.

Acknowledg-  
ment by  
Company,  
Supplemental  
indenture.

On the 27th day of July in the year 1920, before me personally came Elmer J. West and Darius E. Peck, to me known, who being by me duly and severally sworn did depose and say that they reside in the City of Glens Falls and the City of Schenectady, N.Y., respectively, that they are the Vice-President and Treasurer respectively of the Adirondack Power and Light Corporation, the corporation described in and which executed the above instrument; that they know the seal of the said corporation; that the seal affixed to said instrument is such corporate seal; that it was so affixed by order of the Board of Directors of said corporation; and that they signed their names thereto by like order.

[NOTARIAL  
SEAL]

GEORGE C. HOLLISTER,  
*Notary Public.*

[Certificate of County Clerk of Schenectady County, dated August 3, 1920, authenticating notary's certificate].

STATE OF NEW YORK      }  
 COUNTY OF NEW YORK    } ss.

On this 29th day of July in the year 1920, before me personally came F. J. H. Sutton and E. P. Davis, to me known, who being by me duly and severally sworn did depose and say that they reside in New York City and in Queens County, Brooklyn, N.Y., respectively; that they are the Vice-President and Assistant Secretary respectively of Guaranty Trust Company of New York, the corporation described in and which executed the above instrument; that they know the seal of the said corporation; that the seal affixed to said instrument is such corporate seal; that it was so affixed by order of the Board of Trustees of said corporation; and that they signed their names thereto by like order.

Acknowledg-  
ment by  
Trustee,  
Supplemental  
Indenture.

[NOTARIAL  
SEAL]

JOHN A. LYON,  
*Notary Public.*

Bronx Co. Clk's No. 64, Reg. No. 2157  
 N.Y. Co. Clerk's No. 341, Reg. No. 1391  
 Commission expires March 30, 1921

[Certificate of County Clerk of New  
 York County, dated July 29, 1920,  
 authenticating notary's certificate].

## CERTIFICATE OF CONSENT OF STOCKHOLDERS.

Certificate of  
consent of  
stockholders,  
Supplemental  
indenture.

We, Elmer J. West, Vice-President, and Darius E. Peck, Secretary, of the Adirondack Power and Light Corporation, a corporation organized and existing under the laws of the State of New York, having its principal place of business in the City of Schenectady, County of Schenectady, State of New York, hereby certify that the holders of all the capital stock of the said Adirondack Power and Light Corporation have given their consent to the first supplemental indenture made and executed by the said corporation to the Guaranty Trust Company of New York, as Trustee, bearing date the twenty-third day of July, 1920, and that such consent was given by such stockholders in writing, pursuant to the provisions of Section 6 of the Stock Corporation Law, which writing was signed and acknowledged by all of said stockholders and is in the following form, viz:

WE, the undersigned stockholders of the ADIRONDACK POWER AND LIGHT CORPORATION, a stock corporation organized and existing under and by virtue of the laws of the State of New York, and being all the stockholders of said corporation and owning all of the outstanding capital stock of said corporation,

DO HEREBY CONSENT that said corporation may make, execute and deliver a supplemental indenture of mortgage or deed of trust, dated the twenty-third day of July, 1920, to Guaranty Trust Company of New York, as Trustee, upon all the property, rights and franchises of the corporation acquired since the execution and delivery of its mortgage or deed of trust to Guaranty Trust Company of New York dated March 1, 1920, and prior to the actual delivery of such supplemental indenture, and including particularly all the property, rights, titles or interests now or formerly owned by the ADIRONDACK ELECTRIC POWER CORPORA-

TION, with the exceptions therein stated. Such supplemental indenture of mortgage or deed of trust shall be supplemental to the aforesaid mortgage or deed of trust dated March 1, 1920. And said supplemental indenture of mortgage or deed of trust may be in substantially the form of the printed draft filed with the Secretary and identified by his endorsement thereon as follows: "Draft of first supplemental indenture submitted to stockholders for their consent. Attest, Darius E. Peck, Secretary," or in any other form which the Board of Directors may approve.

We further certify that the first supplemental indenture which has been made and executed as aforesaid, dated the twenty-third day of July, 1920, is in the form of the draft filed with the Secretary referred to in the foregoing consent.

IN WITNESS WHEREOF the seal of the Adirondack Power and Light Corporation has been hereto affixed and we, the said Vice-President and Secretary, have subscribed and acknowledged this certificate the 2d day of August, 1920.

[CORPORATE  
SEAL]

ELMER J. WEST,  
*Vice-President.*

DARIUS E. PECK,  
*Secretary.*

STATE OF NEW YORK  
COUNTY OF SCHENECTADY } ss.

Elmer J. West and Darius E. Peck, being severally sworn, depose and say, each for himself, that the said Elmer J. West is the Vice-President and the said Darius E. Peck is the Secretary of the Adirondack Power and Light Corporation; that they know the seal of said corporation; that the seal affixed to the foregoing instrument is such corporate seal; and that it was so affixed by authority of the Board of Directors of said corporation.

ELMER J. WEST  
DARIUS E. PECK

Subscribed and sworn to before me this 2d day of August, 1920.

[NOTARIAL  
SEAL]

H. C. HAMMER,  
Notary Public,  
Schenectady County, New York.

STATE OF NEW YORK      }  
COUNTY OF SCHENECTADY      } SS.

On this 2d day of August, 1920, before me personally came Elmer J. West and Darius E. Peck, to me known and known to me to be the Vice-President and Secretary, respectively, of the Adirondack Power and Light Corporation, and the persons described in and who made and signed the foregoing certificate, and severally duly acknowledged to me that they had made, signed and executed the same for the uses and purposes therein set forth.

[NOTARIAL  
SEAL]

H. C. HAMMER,  
Notary Public,  
Schenectady Co., N.Y.

[Certificate of County Clerk of Schenectady County, dated August 3, 1920, authenticating notary's certificate].

STATE OF NEW YORK  
COUNTY OF SCHENECTADY } ss.Affidavit of  
exemption  
under tax  
law, Sup-  
plemental  
indenture.

Darius E. Peck, being duly sworn, deposes and says, that he is the Treasurer of the Adirondack Power and Light Corporation; that the foregoing first supplemental indenture of mortgage or deed of trust dated July 23, 1920, by and between Adirondack Power and Light Corporation and Guaranty Trust Company of New York, is supplemental to the mortgage or deed of trust dated March 1, 1920, between the same parties, heretofore recorded in the offices of the County Clerks of the following counties in the State of New York, namely, Albany, Fulton, Herkimer, Madison, Montgomery, Oneida, Rensselaer, Saratoga, Schenectady, Schoharie, Warren and Washington, on which mortgage or deed of trust all taxes accrued under Article XI of the Tax Law of the State of New York have been paid; that the said supplemental indenture is made and is to be recorded pursuant to the provisions or covenants of Section 3 of Article IX of said mortgage or deed of trust dated March 1, 1920, and imposes the lien of the said mortgage or deed of trust upon property not originally covered by or not described in such recorded primary mortgage, for the purpose of securing the principal indebtedness which is or under any contingency may be secured by such recorded primary mortgage; that the said supplemental indenture creates or secures no new or further indebtedness or obligation other than the principal indebtedness or obligation secured by or which under any contingency may be secured by the recorded primary mortgage; and that upon the basis of

these facts exemption is hereby claimed under Section 255  
of the Tax Law of the State of New York.

DARIUS E. PECK,  
*Treasurer.*

Subscribed and sworn to before me this 27th day of July,  
1920.

GEORGE C. HOLLISTER,  
*Notary Public.*

FIRST SUPPLEMENTAL INDENTURE RECORDED:

County	Date	Hour	Book of Mortgages	Page
Schenectady	August 3, 1920	11:27 A.M.	244	361
Montgomery	August 4, 1920	9:00 A.M.	160	103
Saratoga	August 4, 1920	11:39 A.M.	224	169
Fulton	August 4, 1920	2:35 P.M.	129	110
Warren	August 4, 1920	3:00 P.M.	89	222
Albany	August 4, 1920	3:20 P.M.	657	154
Rensselaer	August 4, 1920	3:30 P.M.	401	330
Washington	August 5, 1920	10:51 A.M.	131	491
Schoharie	August 5, 1920	5:00 P.M.	87	191
Herkimer	August 6, 1920	9:00 A.M.	176	207
Oneida	August 6, 1920	10:30 A.M.	506	378
Madison	August 6, 1920	1:00 P.M.	159	358



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